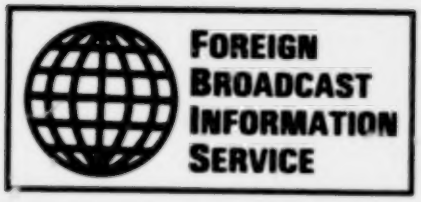

Daily Report

Latin America

FBIS-LAT-92-057
Tuesday
24 March 1992

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Latin America

FBIS-LAT-92-057 *24 March 1992*

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Argentina

NOTICIAS ARGENTINAS reports that Islamic Jihad has confirmed its reponsibility for the Israeli Embassy bombing and, according to Interior Minister Jose Luis Manzano, confirmed the government's suspicion "right from the beginning that the attack was perpetrated by an Islamic terrorist group." Manzano also asserted that foreign intelligence service agents "are not working in Argentine territory," but "their work is to supply intelligence information on the activities of international terrorists."

Chief Justice Levene released four Pakistani citizens arrested for alleged involvement in the Israeli Embassy attack after an eyewitness was unable to identify them in a police lineup, TELAM reports.

Paraguay

President Andres Rodriguez announced "for the first time" that he will retire from his post as Armed Forces commander in chief "as soon as he transfers his presidential powers to his successor in August 1993," NOTICIAS reports. According to the report, many people believed Rodriguez might continue to hold a top position in the Armed Forces after transferring presidential powers to a democratically elected president.

Cuba

ANPP To Consider Constitution 'Modifications'

FL2303154592 Havana Radio Progreso Network in Spanish 1200 GMT 23 Mar 92

[Text] Analysis of the draft text of modifications to the Republic's Constitution is to be the focus of the discussions during the next session of the National Assembly of the People's Government [ANPP] in July. This is according to ANPP President Juan Escalona Reguera in statements to the press in the capital of Granma Province at the end of a three-day tour of the Granma Province municipalities of Bayamo, Jiguani, Guisa, Pilon, Media Luna, and Manzanillo. Escalona Reguera noted that these proposals are in response to an agreement reached during the previous session, based on the recommendations of the Fourth Communist Party of Cuba Congress and the nation's new circumstances.

Escalona explained that the draft text of modifications to the Constitution is currently being drawn up and that it is hoped the text will be ready by July. He added that the measures aimed at lowering the crime rate will also be analyzed at that time, since this will be the focus of the reports by the Office of the Attorney General of the Republic and the Supreme People's Court, based on the scenario set forth before the ANPP by the Ministry of Interior in December.

Juan Escalona said in Bayamo that the agenda will include a report on the struggle to recover water management projects and the report by the Granma Provincial Assembly of the People's Government. He said he thinks this last aspect will turn out to be interesting and will describe actions taken at the level of neighborhoods and communities with a view to resisting and overcoming the challenges of the special period.

Report on Young Communists' 'Report to Congress'

PA2303232392 Madrid EFE in Spanish 1841 GMT 22 Mar 92

[Report by Gerardo Gonzalez Vega]

[Text] Havana, 22 Mar (EFE)—To continue with the communist system in Cuba despite all criticism is the goal of the Sixth Congress of the Union of Young Communists (UJC) that will take place in Havana during the first week of April.

The extensive text of the "Report to Congress" takes up six pages of the 22 March issue of JUVENTUD REBELDE, the UJC press organ. In the report, the UJC states that the agreements approved by the Fourth Congress of the Communist Party of Cuba held in October "are our own programs," expressly reject any other options, and reiterate that the goals of the young communists are those outlined by the Party.

The report to the Congress says: "Today one cannot attack our economy's socialist bases and the socialist aspects of our production methods, question the single party system, or decide to change our historic leadership," that is, the continuation in power of Fidel Castro.

One can see from the report that there is a group among the young (50 percent of the Cuban population is younger than 30) that questions some of these assumptions.

The UJC directorate's report continues: "Therefore, it is necessary to prevent any attempt by the counterrevolutionaries to meddle in student and mass organizations and in the National Assembly of the People's Government (Parliament) elections or assemblies."

The UJC's rejection goes against those who say: "We are tired of hearing about this critical period." It goes against those who say: "For 30 years it has been said this is the worse period and everything will get better, but nothing ever happens"; and those who say: "All leaders are incompetent" and "administrators are corrupt."

Reiterating the UJC directorate's official line, harsh attacks are made against the "small groups who supposedly defend human rights" and those who "claim privatization of the economy, want a multiple party system, support the blockade, and more or less demand a return to capitalism." This attack is joined by "the simulators of yesterday and the obvious traitors of today," the dissident groups of a socialist democratic tendency which recently appeared under the name "third option."

The UJC maintains that although these people "try to whitewash themselves with intermediate options, they are the dangerous fifth columnists of the organized counterrevolution and must be fought with the firmest of revolutionary actions."

The UJC agrees with all the Party's dictums regarding the control of any possible demonstration of discontent with the use of "rapid response detachments." It agrees with the movement of people to rural areas to work in priority agriculture programs to confront the shortage of food. It also agrees with the party in the need to develop international tourism (wherein tourists have access to goods and services that are banned to Cubans) and in the need to obtain foreign capital for mixed firms, which does not mean "the country is being sold, as some detractors have stated."

Finally, it must be pointed out, the UJC's comprehensive proposed program for society's activities examines the topic of art and states: "We are opposed to the discredit of our political program or our Revolution" by artists.

Medical Students Mobilized for Agriculture

FL2303224892 Havana Radio Reloj Network in Spanish 2053 GMT 23 Mar 92

[Text] Approximately 1,687 medical and dentistry students, as well as professionals and nonacademic staff, are working in agriculture in the Batabano Municipality of Havana Province. In doing so, they are enthusiastically providing their efforts during this mobilization. The

mobilized students of the Salvador Allende, Julio Trigo, and Enrique Cabreras Schools, who are working in Batabano, are deployed in eight camps.

Approximately 1,069 comrades of the Finlay, Alvarran, and 10 October Schools were mobilized to five camps in Alquizar Municipality, while 411 students of the Enrique Cabreras School were deployed to Quivican Municipality. The students of the Dentistry School are assigned to two camps in Nueva Paz Municipality. All the students will return home on 29 March.

Use of Windmills To Save Fuel Discussed

FL2403125692 Havana Radio Rebelde Network in Spanish 1800 GMT 23 Mar 92

[Report by Carlos Santana Ojeda]

[Text] Windmills always make us think of Holland, a small European country that has hundreds of them, or the memorable passage in Don Quixote de la Mancha, when the protagonist fights against the windmills. Nevertheless, the windmills we are refering to are not in Holland or Quixote's region of La Mancha. They are in Cuba. Emil Madruga, chief of the Alternative Sources Group of the National Energy Commission, speaks to us.

[Begin recording] [Madruga] Cuba traditionally produces four different types of windmills. Three are produced in Agriculture Ministry factories and one at factories of the Ministry of the Steelworking Industry in Camaguey. We are working on developing three new lighter prototypes in line with the reduction in the availability of sheet steel.

[Santana] What does the fact that almost 9,000 windmills are in operation in Cuba represent for energy conservation?

[Madruga] Well, just so you have an idea, a well-installed windmill, used for pumping, should take the place of approximately 1.5 tons of diesel fuel annually. Traditionally, windmills are good machines that require very little maintenance. It has been demonstrated since our grandfathers' time that they are reliable, safe machines. They are what we need during the special period.

[Santana] Emil, could we say that Cuba is learning how to build and install windmills?

[Madruga] Well, there have been material limitations. But even so, the comrades of the steelworking industry are currently working on making an additional 2,000 windmills this year for use in the Voisin rational grazing system. We hope to do this. We have the capability to increase our production and decrease, through efficiency and more efficient design, the consumption of materials in producing these machines. [end recording]

We are living in times of modernity and technology, so some may think that we moving off the path of progress if we use windmills to extract water. But there is experience in the country in taking advantage of nonconventional energy from the wind. Unquestionably, wind is one of the immediate solutions for the future.

Union of Plastics Production Goals Noted

FL2303172592 Havana Radio Reloj Network in Spanish 1506 GMT 23 Mar 92

[Text] The food, defense, public health, and tourism programs are the main objectives of production efforts of the Union of Plastics. Among products for the food program are bags and rolls of polyethylene, as well as (?slimflex) tubing to be used in the Voisin cattle-raising program. They anticipate closing the first quarter of the year with production of approximately 1.4 million meters of the two million meters of tubing planned for the first two quarters.

This year, the Union of Plastics has set the goal of producing 39 products for hotels and tourism in general, and is already working on some of these products. For the public health sector, covers for bottles and [word indistinct] equipment and accessories are in production. Felipe Gonzalez, production chief of the Union of Plastics, said that some of these products are made with recycled raw materials or a mixture of recycled and virgin raw materials.

SUVP Excercise Enters Preparatory Phase

FL2303162992 Havana Radio Reloj Network in Spanish 1505 GMT 23 Mar 92

[Text] The preparatory phase of the Giron 31 exercise is being carried out in Santiago de Cuba Province. The objective of this operation is to perfect vigilance and protection, as well as to confirm the spirit and combativity of Playa Giron [Bay of Pigs]. The groups and subgroups that are carrying out the Unified Vigilance and Protection System training have been organized at a meeting presided over by Politburo Members Esteban Lazo and Maria de los Angeles Garcia.

The preparatory phase of the Giron 31 exercise will last until 10 April. This will be followed by the execution phase. The summing-up phase will end on 30 April in Santiago de Cuba Province.

Participating in the training are revolutionary forces at the level of the province, municipality, sector, work center, district, and block. Correspondent Magalys Margarita Fonseca reports that the elements making up the system are being organized at every level.

Chernobyl Children Treated at Hematology Center

FL2303194992 Havana Radio Rebelde Network in Spanish 1800 GMT 23 Mar 92

[Text] Some 149 children from Chernobyl who arrived in Cuba with hematological diseases have returned to their country after receiving appropriate treatment,

while 58 others are receiving specialized care at the Hematology and Immunology Institute. Since March 1990, 223 children from Ukraine, the Russian Federation, Belarus, and Moldova have been treated at that center, which is attached to the William Soler Pediatric Hospital, where their diagnoses have been studied. Of these children, 102 were suffering from leukemia, mostly acute lymphoblastic leukemia, which has the highest chance of cure. According to the Institute's statistics, out of the total number of children with leukemia, eight have died; they had the worst prognosis, and some had arrived in Cuba in relapse.

In treating leukemia, programs similar to those offered at highly developed centers in the world were used. Specifically, in the 93 cases of acute lymphoblastic leukemia, the protocol of the Latin American Group for the Treatment of Malignant Hemopathies was applied. Our country has been a member of that group since 1973, when it was created in Havana. Five children with this disease received autologous bone marrow transplants—so-called self-transplants.

The most important element in this situation is the closer ties. A Cuban specialist from the Hematology and Immunology Institute is working in Ukraine in cooperation with two doctors from that country in following up on the children who were treated in Havana and examining others whose travel to Cuba has been proposed.

Finally, as part of this effort, a study was made to find the effect of ultraviolet rays on the integrity of the immune system in 30 apparently healthy children from a region in Belarus that had been affected by the Chernobyl accident. There had been speculation that our climate and the tropical sun might harm them. The results of the study have allowed us to conclude that appropriate and controlled exposure to the sun's ultraviolet rays of children exposed to low doses of ionizing radiation does not cause deterioration in the human immune system and does promote its regulation and functioning.

Mexican Envoy: Relations 'Increasingly Economic'

FL2403142192 Havana Radio Progreso Network in Spanish 1200 GMT 24 Mar 92

[Text] Mexican ambassador to Cuba, Mario Moya Palencia, speaking in Madrid, has termed relations between his country and the Cuban Government excellent and has asserted that the ties between the two countries have increased in the past few months. Moya said: Our relations are becoming increasingly economic, for it is a matter of investing in Cuba and forming a bridge to contribute to the island's development.

Havana Notes Interview of Brazilian President

FL2303202192 Havana Radio Rebelde Network in Spanish 1800 GMT 23 Mar 92

[Text] The Sunday edition of the Brazilian magazine VEJA, which has one of the largest readerships in Brazil, carried a lengthy interview containing statements by Brazilian President Fernando Collor de Mello regarding Cuba. Here is more on this matter.

In the interview, Brazil's president praises the development attained by Cuba and affirms that despite the events in Eastern Europe, many of the claims made by socialism are well founded. He said the Cuban Government's enemies may say whatever they wish, but in this connection it is an indisputable fact that no country in the world has reached Cuba's level in the domains of health care and education.

In this interview, Collor de Mello asserts: Capitalism has not shown itself to be superior in solving its social problems. He adds: We are seeing how terrible social problems are arising in the most highly industrialized countries. Socialism has many interesting things to offer that should be used to good advantage, among them a concern with meeting the population's fundamental needs.

Speaking of freedom, the Brazilian president said this concept cannot be based on elements as fragile as elections, for it must be measured in terms of the citizens' rights and duties. And as for rights, he said: A citizen should have a right to health care, education, and hope. This is what the Cubans have guaranteed.

Inter-Caribbean Affairs

Caricom Welcomes 'Yes Vote' in South Africa

FL2103012892 Bridgetown CANA in English 2221 GMT 20 Mar 92

[Text] Basseterre, St. Kitts, March 20, CANA—Caribbean Community (Caricom) member countries have welcomed Tuesday's widespread backing for the South Africa [RSA] government's reform programme. But while there is talk about easing international sanctions against the racially-troubled country, no-one in the community is rushing to have them lifted.

Caricom leaders, among the most vocal critics of South Africa's racial segregation system, generally welcomed the "yes" vote as another step in the process to give the country's black majority a better deal.

St. Kitts and Nevis Prime Minister Dr. Kennedy Simmonds, who is also chairman of Caricom, said he hoped the referendum would lead to political and social reform and the irreversible dismantling of apartheid. He said the 13-member Caricom would renew its commitment to keep watch with the people of South Africa until they fully secured their inalienable rights as citizens in their own land.

Dominica's external affairs minister, Brian Alleyne, said:

"I think we have to continue to see that progress is made in a serious way, but I think this is the most significant move up to now....

"I think we can certainly look much more favourably now on the question of relieving the sanctions. But anything we do, I think, must be in close consultation with the rest of the Commonwealth, and certainly with the parties in South Africa who are affected by this."

Grenada Prime Minister Nicholas Brathwaite, chairman of a seven-nation Caricom group, favours keeping sanctions on South Africa until the dismantling of the apartheid system is complete.

Trinidad and Tobago's prime minister, Patrick Manning, said President F.W de Klerk's landslide victory "gives rise to tremendous hope" and the "time was not far off" when South Africa would be fully integrated into the international community.

Antigua and Barbuda's Prime Minister Vere Bird Sr., in a message to De Klerk, said:

"We believe that this referendum signals the end of apartheid...."

Haiti

Committee Presidents Meet, Ask for Security

FL2403001892 Port-au-Prince Radio Soleil Network in Creole 1930 GMT 23 Mar 92

[Report by correspondent Fernand Bignon]

[Text] Today the presidents of the parliamentary committees met in a conference for presidents at the Legislative Palace. Our colleague, Fernand Bignon, attended the conference and met with several of the presidents. Let us listen to him.

[Begin recording] [Bignon] The presidents of the parliamentary groups in the Lower Chamber are meeting right now to plan another National Assembly to vote on the agreement. The National Front for Change and Democracy [FNCD] president, Deputy Joseph Fignole Jean-Louis, thinks that what is most important for him in this conference is to ask for security for all deputies and senators so that they do not feel violated during the course of their work.

[Jean-Louis] The first point that we will suggest is security. We cannot have a National Assembly where, when senators and deputies leave, civilians point their guns at their heads and attack them. They attacked Pedro Caseus and injured his face. That is unacceptable. The Haitian Army, whose duty it is to protect us, must assume its responsibilities. We are going to present them with the fait accompli. They must respond because the country is being destroyed. I would not be the only one to lose. The Haitian Army will also lose. Soldiers, noncommissioned officers of the Haitian Army must become aware that the country cannot remain in the situation it is in right now. They must stand by the Parliament and the sane faction of the Parliament to free the country from the crisis.

[Bignon] According to Deputy Jean-Louis, the objective of the FNCD parliamentary bloc is to continue fighting until the country emerges from the present tormented situation.

The rumors of several deputies' taking money to vote in favor or against the agreement have been heard also within the FNCD bloc. Deputy Joseph Fignole Jean-Louis provides the example of Deputy Jean-Mandenave, who reportedly received money to make a decision against his will as a parliamentarian regarding the Washington agreement.

[Jean-Louis] The government, as you know, had approximately $300,000, according to what we learned from a reliable source. When we make a statement to the press, we do not just say something to gossip or for sensation; we are responsible deputies here in the FNCD.

We already had some proof. They courted several of our members with money—25,000 gourdes, 50,000 gourdes—not to vote in favor of the agreement. In this particular case, one of our colleagues, in order to have some proof, decided to keep the money to prove to the Haitian people the situation into which the deputies in the Parliament fall. But this does not only concern the FNCD deputies. We have an alliance for parliamentary solidarity formed by the autocratic wing, meaning the sector that does not want changes in the Parliament. These people had the money in their hands because the government calls them the government's deputies. One FNCD deputy was even threatened over the phone. A government person called him accusing him of insulting the wife of one of the deputies. They threatened the FNCD deputies as well as others who are in favor of change. So, regarding the money that our colleague Mandenave received, he did not receive it to destroy the assembly and be part of the corruption. He would have left the room. Instead, he did not leave. Unfortunately, what we prove...[rephrases] we have proven once more to the entire world that the force for change is stronger. What did you see? Forty-three deputies were still there, despite the infiltration [words indistinct] the quorum which did not prevent 43 deputies from being ready to vote on the agreement.

[Bignon] After the inconclusive end to the National Assembly, because of a group of parliamentarians who left the session, the president of the National Assembly, Senator Dejean Belizaire, stated that they would convene another National Assembly. Everything still needs to be established. [end recording]

Senator Urges Compliance With Court Decision

FL2303231992 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 23 Mar 92

[Excerpt] Senator Pierre Raoul Remy urges the senators and deputies to comply with the decision of the highest Haitian judicial authority, the Court of Cassation [Supreme Court] so that there will be no National Assembly meeting for eight days while awaiting the

Court's verdict on the 23 February agreement. In a letter to the 45th legislature, Senator Raoul Remy stated the following:

In consideration of the negative influence of the Washington agreement on Haitian society and the disastrous consequences that the ratification of the agreement could cause to the Haitian family that is full of problems, I hasten to urge the deputies and senators to accept the decision of the Court of Cassation.

Senator Raoul Remy adds if the parliamentarians do so, that will bring about the participation of the Haitian judiciary in a national solution to the sociopolitical crisis that Haiti has been experiencing since 30 September 1991.

Senator Remy further says that this action will shed more light on the validity of the National Assembly that Senate President Dejean Belizaire had convened. Senator Raoul Remy ends his letter by asking the parliamentarians to respect the laws of the country so others, especially the OAS, can respect them. [passage omitted]

Deputy Urges Provisional Presidency To Resign

FL2303192492 Port-au-Prince Radio Metropole in French 1145 GMT 23 Mar 92

[Text] Deputy Kerne Charles Jean-Philippe, from Gros Morne, has denounced the attitude of all of those who, instead of working on saving the country, continue to hold it hostage. The parliamentarian urges the Army to show patriotism in those grave hours the nation is now facing.

He is asking the provisional Presidency to understand the suffering of the Haitian people, who can no longer bear this situation. He said, quote: Resign to help the nation avoid suffocation, because the application of the negotiated solution is the only mainstay left to the country in distress, unquote.

National Party of Labor Deputy Resigns

FL2303181492 Port-au-Prince Radio Metropole in French 1145 GMT 23 Mar 92

[Text] Aquin Deputy Jean-Gardy Charlotin, who was elected under the banner of the National Party of Labor, has announced his resignation from the 45th legislature in a letter to the president of the Chamber of Deputies. The deputy points out in his letter that he could not support now the repeated violations of the Constitution by those assigned to enforce it. The deputy does not want to give his backing to what is going on for the moment at the legislative chamber.

The deputy writes: Following my intervention at the platform of the National Assembly, and referring to the provisions of Articles 21 and 21.1 of the 1987 Constitution, I must tell you that after I carefully thought, analyzed, and judged the current problems, I have eventually concluded that I must not be part of the 45th legislature any longer.

Madistin Calls For National Assembly Session

FL2303181692 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 23 Mar 92

[Text] Deputy Samuel Madistin asks National Assembly President Dejean Belizaire to convene the National Assembly on the 23 February 1992 agreement.

In a letter to Senator Dejean Belizaire, Deputy Madistin says he energetically protests the way the National Assembly president chose to postpone the session of Wednesday, 18 March 1992. Deputy Madistin asserts that he was indignant and disappointed because of the way events occurred on 18 March when a minority group of parliamentarians, led by Senator Julio Larosiliere, left the chamber. Madistin adds that he is indignant because the parliamentarians who favored the closing of the session left the Parliament without problems while those who wanted it to continue had problems on leaving the Legislative Palace.

Deputy Samuel Madistin asks the National Assembly president to think about the request of the chamber of lawyers in Port-au-Prince. According to this request, they should delay the National Assembly meeting, contrary to Articles 120, 123, 125 of the Law 273 of 17 January 1964 on the judicial organization, says Madistin.

While expecting a new session of the National Assembly, Deputy Samuel Madistin says the ratification of the Washington agreement moves the country away from falling into a situation like that of Panama, Iraq, or in 1915 [the American occupation of Haiti]. He favors the Washington agreement and he asks that National Assembly President Dejean Belizaire reconvene the National Assembly.

Paul Denounces 'Delaying Tactics,' Urges Session

FL2303174092 Port-au-Prince Radio Tropic FM in French 1430 GMT 23 Mar 92

[Statements by Port-au-Prince Mayor Evans Paul, in Port-au-Prince on 23 March]

[Text] The elected mayor of Port-au-Prince, Evans Paul, denounced today the acts of intimidation and attacks perpetrated by armed civilians against several parliamentarians at the end of the abortive session of the National Assembly on Wednesday 18 March. According to Paul, these armed individuals are part of those who slaughtered voters on 29 November 1987. He asks that the National Assembly be convened as soon as possible.

[Begin Paul recording in Creole] We are also very ashamed of the parliamentarians who left the chamber because we have always fought for the dignity of the Parliament, which should be one of the most respected institutions in the country. However, many of its members behave in such a way that the Parliament might fall

into disrepute. As for us, we believe that a parliamentarian (?can) defend his opinions, but not with delaying tactics or disloyal reactions as some did during the 18 March session.

Besides, we are very concerned because we see that many armed civilians—people who had participated in the 29 November [1987] massacre—have now reappeared on the scene. It is exactly these people who were in front of the Parliament, attacking journalists and parliamentarians. We have also been told that as soon as the parliamentarians who, I could say, boycotted the session, left the room, the military, who were assigned to ensure the safety of the Parliament, had a different attitude toward the other parliamentarians who were inside.

We believe that everyone must accept responsibility in view of all these issues. We must restore the image of all institutions in the country, no matter whether they are called Parliament or Army. Everybody must make an effort toward that so we can have a correct society. We believe that there is no other solution and that a new National Assembly should be convened as soon as possible (?so) the parliamentarians can give their opinions. As all sessions in Parliament must nevertheless end up in a resolution or a vote, we think the 18 March session is not yet over and Dejean Belizaire must convene a new National Assembly so the parliamentarians give their verdict on the agreement. We believe they should ratify it. It is what the people expect, it is what the country expects so the crisis can be resolved, so the embargo can be lifted. [end recording]

PANPRA Urges Military To Assist Assembly

FL2303193992 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 23 Mar 92

[Text] The Nationalistic and Progressive Revolutionary Party of Haiti [PANPRA] asks the provisional government and the Haitian Armed Forces [FADH] to create the necessary conditions so the National Assembly can give its verdict on the agreement that was signed in Washington on 23 February. PANPRA, in a press release, denounces the behavior of a group of parliamentarians who walked out of the session in order to invalidate the quorum and hails the courage of those who did not leave the chamber.

Furthermore, PANPRA says the dissolution of the session has clearly shown that many divisions and much corruption prevail in Haitian society. PANPRA condemns all the ignoble acts perpetrated against the parliamentarians 18 March 1992. PANPRA reminds that the FADH used these acts to support the 30 September coup, basing this on the fact that some demonstrators attacked parliamentarians on 13 August 1991.

Today, in its effort to hang on to power, the provisional government is using these same tactics, together with many military personnel, in order to prevent the Parliament from working as they should. Thus, PANPRA urges the authorities to create conditions so the National Assembly can meet and give its verdict on the 23 February agreement.

This is signed by Arnold Antonin and Duly Brutus for PANPRA.

Correction to Senate President's Address

FL1903173192

The following correction pertains to the item headlined "Senate President Addresses National Assembly," published in the 20 March Latin America DAILY REPORT, page 7:

Column one, fourth full paragraph, only sentence should read: Third, it includes a provision to request the lifting of the embargo, and neither party has the exclusive right to make this request. (changing "either" to "neither")

St. Lucia

Prime Minister Sets Elections for 27 Apr

FL2303202292 Bridgetown CANA in English 1604 GMT 23 Mar 92

[Article by Peter Richards]

[Text] Castries, St. Lucia, March 23, CANA—St. Lucia's Prime Minister John Compton, announcing an April 27 general election on Sunday night, said he had received the date in a letter from the almighty. Speaking before hundreds of excited ruling United Workers Party (UWP) supporters at a rally in Micoud, south east of here, Compton said the letter had been delivered by helicopter.

Shortly after a helicopter had landed on a playing field where the rally was held, the UWP leader asked a party supporter "to come and give (him) the letter that the Lord has sent for (him)."

"It came by helicopter," Compton declared. Then, opening and reading the letter, he added: "Monday the 27th April is our date with destiny."

Compton predicted his party would win all 17 parliamentary seats, saying such a victory was important for the future socio-economic development of St. Lucia. In the last general election in 1987, the UWP won a slender one seat majority which was later increased after opposition St. Lucia Labour Party (SLP) member Neville Cenac crossed the floor.

The election date announcement was warmly greeted by the opposition, private sector, and trade union movement.

"I think the only problem we had was whether it was going to be early April or later in the month," SLP leader Julian Hunte told CANA. "We are ready and confident of victory."

At least three political parties, including the small Progressive Labour Party (PLP) of former Foreign Minister George Odlum, are expected to contest the poll.

Welcoming the election date announcement, St. Lucia chamber of commerce, industry, and agriculture executive member Richard Peterkin said: "Any election affects business because everybody is waiting to see what happens. Now that the date is announced, it will bring a sigh of relief." Peterkin however noted there was a "question mark (regarding) the position of the annual budget," usually presented in April.

David Demacque, chairman of the Industrial Solidarity Pact (ISP) grouping of trade unions, also pondered on the implications which the election date announcement would have on the budget. "In light of the fact that April is the start of the government's financial year, it is good that the election will be out of the way," he said.

In the last general elections here, 83,257 persons were eligible to vote. Chief Electoral Officer McClair Daniel said the revised voters list so far contained 91,300 names. He said more voters were likely to be added before registration ends on March 29.

Electoral officials told CANA the date for nomination of candidates would be 14 days after Parliament is dissolved. Compton did not say Sunday night when Parliament would be dissolved.

Trinidad and Tobago

Manning Announces Privatization of State Entities

FL2303162092 Bridgetown CANA in English 1648 GMT 21 Mar 92

[Text] Port-of-Spain, Trinidad, March 21, CANA—Trinidad and Tobago's Prime Minister Patrick Manning announced Friday that government intends to sell some state enterprises in a bid to improve its fiscal and balance of payments situation.

"Another key policy issue which will be addressed in the medium-term is that of articulating the role of government in economic activity and preparing a programme of divestment of state ownership in commercial enterprises," said Manning at a business seminar.

"In this regard, the government will be embarking on an aggressive programme of divesting itself of state enterprises where the original strategic objectives of the government have been attained or where such objectives are no longer relevant nor financially feasible."

The divestment programme, said Manning, was also expected to increase the flow of foreign investment in instances where assets were divested to foreign investors and to create for government participation on a joint venture basis in new activities where government's equity participation was deemed to be desirable.

Manning also noted the adoption of a policy position for foreign private sector participation in local economic activity, which he said would allow for the rebuilding of foreign exchange reserves to finance the adjustment process and economic recovery.

"It is therefore the responsibility of the government to clarify and reform, where necessary, the framework of laws and regulations governing business activity so as to minimise bureaucratic constraints and impediments to legitimate business activity, thus encouraging foreign investment," he added.

The Finance Ministry was also reviewing proposed amendments to the foreign investment act with a view to establishing an even more investor-friendly climate, while maintaining the control elements required for such a policy, said the prime minister.

The government additionally requested the Central Bank to take measures allowing non-residents to hold foreign exchange currency in local banks.

Said Manning, "this measure will contribute greatly to stemming the haemorrhage of our scarce foreign exchange through capital flight.

"Secondly, state enterprises are being encouraged to repatriate their foreign exchange holdings, to be held in foreign currency accounts in the Central Bank, and those with foreign income streams to seek their borrowing requirements overseas."

The prime minister also said progress was being made towards the establishment of a Caribbean Investment Fund, which would serve to attract foreign funds into the region and enhance the capability for mobilising funds in the region.

"Recently cabinet agreed to provide necessary incentives and concessions to facilitate an establishment of this institution," he said.

Manning said government would also continue to support the efforts of the Trinidad and Tobago Stock Exchange to establish a formal bond market.

He also reported that government's bonds would be listed and traded on the stock exchange in the near future.

Costa Rica

Council Approves Security Budget Increase

PA2403041892 San Jose LA NACION in Spanish 18 Mar 92 p 5A

[Report by Mauricio Martinez S.]

[Text] On 17 March, the Cabinet Council approved an increase in the budget for the Government and Public Security Ministry to improve security measures and provide the corps with necessary equipment and supplies.

Government and Public Security Minister Luis Fishman Z. will submit, either on 18 or 19 March, a list of essential needs to President Rafael Angel Calderon and Finance Minister Rodolfo Mendez. Fishman did not mention the amount of money required but revealed it involves "a large sum" that the executive branch might not be able to provide.

The minister said he will prepare a list of priorities to decide which corps will receive the most benefits and to establish their needs related to mobile units, communication equipment, and regulation weapons. He did not rule out the possibility of raising the salaries of approximately 7,000 civilian and rural police members. He thinks this is somewhat "difficult" given the country's current economic situation.

One request will be to increase the number of jobs because, for example, 480 employees will be needed to operate 80 patrol cars that Germany will donate soon, Fishman said.

According to official figures, the Government and Public Security Ministry's 1992 budget will be 2,650,779,204 colons—80 percent of this is needed to pay salaries. The rural police budget is 1,239,087,200 colons, and salaries represent 87.5 percent of that amount.

Moreover, the Cabinet Council annulled the expropriation decree concerning a farm identified as Ranch Gesling, which is owned by some U.S. citizens. This is one of the seven cases in which U.S. citizens' land was expropriated to create forestry or Indian reserves in several areas of the country. An agreement was reached to settle three of these cases though arbitration.

The AID will continue to withhold the $10 million in 1990 aid as long as important progress is not achieved concerning the solution of these cases. Presidency Minister Rolando Lacle said the expropriation decree has been eliminated concerning Ranch Gesling, where a group of squatters once settled, and a court will decide the amount in damages owed by the state to its owners.

Nicaragua

Chamorro Leaves for South American Tour 21 Mar

PA2303163392 Managua Radio Nicaragua Network in Spanish 1100 GMT 23 Mar 92

[Text] President Violeta Chamorro left on 21 March for Brazil, the first stop of her official visit to three South American countries. At the Managua airport, President Chamorro urged the groups of workers who are on strike to return to work to rebuild Nicaragua. The president said she will convey a message on the impact of low coffee prices from the Central American presidents to Brazilian President Fernando Collor de Mello. We should all work and stop asking for things we cannot give, the president said, referring to the striking groups who insist on their demands.

[Begin recording] [Chamorro] I am going to visit three South American countries: Brazil, Chile, and Argentina. When my husband was alive, I visited these places. This time my visit is to seek solutions, to speak with President Collor de Mello about the drop in coffee prices, a problem that concerns us all. I will also seek a solution to the debt problem we inherited. [Words indistinct] to work and pay the debts. We cannot pay because we have other problems to solve. [Words indistinct] I want to tell you this is part of my work, and I want to strengthen the ties of friendship with those three countries.

Thank the Lord, we owe Chile nothing, and we have strong ties of friendship. We want to have the best possible relations with all three countries. Perhaps we will obtain some scholarship for you, my dear journalist friend, or for the street reporters.

[Unidentified reporter] President Chamorro: What do you expect specifically from this trip?

[Chamorro] I just finished telling you, and I will repeat it: I am leaving the country to visit the countries to which we are indebted. It would be wonderful if we can settle the foreign debt in the long term. If the debt is pardoned, so much the better for you people, not for Violeta. This is my job. In addition, I will strengthen ties of friendship because, as I said at the beginning, I want to be everyone's friend.

[Reporter] One last question. The country is in a state of turmoil right now. The National Workers Front is threatening to increase actions. You are leaving 23 March; Antonio Lacayo leaves 24 March. What will happen in the country? How will this situation be resolved?

[Chamorro] In the first place, I would like to avail myself of your presence here, as you are a reporter from EL NUEVO DIARIO, and the other reporters from the radio stations, so you will report what is happening. We do not want this country in a state of turmoil, as you say. We want those hotheads to stop thinking about strikes and increased salaries when we cannot pay any more

increases. Have you been given a raise at EL NUEVO DIARIO? We want to work hard for everyone in the country. [Words indistinct]

My country will be left in the hands of God, the members of my cabinet, and in your hands. That is true democracy. [end recording]

Lacayo Calls Striking Groups 'Traitors'

PA2303144692 Managua Radio Nicaragua in Spanish 1100 GMT 23 Mar 92

[Text] On 22 March, Presidency Minister Antonio Lacayo accused all the groups that are trying to demand wage increases and privatization by stopping national production of being traitors.

Moments before boarding the airplane that was to take him to Washington, where he will head a commission that will present several projects to the advisory council of donor countries, Lacayo said that the government will not allow production to be stopped.

The National Worker's Front [FNT] announced a general strike and the takeover of several state companies on 23 March.

Lacayo stated: Whoever opposes production is a traitor to the fatherland and should be treated as such. We will not permit these abuses here.

FSLN Centrist Group Rejects Violence

PA2403043992 Managua LA PRENSA in Spanish 21 Mar 92 pp 1, 12

[Report by Roger Suarez M.]

[Text] The Sandinist National Liberation Front [FSLN] centrist group, which advocates a national project, issued a communique on 20 March rejecting and condemning violence because it only "worsens the country's chaos and anarchy, which benefits extremist groups."

The group was founded in February and is comprised of Rafael Solis, Lizandro Chavez, Francisco de Asis Fernandez, Vida Luz Meneses, Gioconda Belli, and Fernando Guzman, among others. The group issued an appeal to all social groups, urging them to strengthen the legal state and abide by the country's institutional framework.

In addition, it asked the government to exercise its authority and to enforce order and stability in the country. "A firm and effective exercise of the government's authority has become an unavoidable duty toward our people, to maintain order and stability in the country," it added. FSLN unions have recently provoked chaos and disrupted order at Bolivar Avenue in Managua.

The centrist group asked the government to exercise its authority "in strict compliance with the law and to try, as much as possible, to prevent rather than repress any acts of violence that may occur."

The group added that violence is a sequel of the war, poverty, and recent economic measures that have affected the most deprived groups of the country.

"The government must necessarily heed those groups, talk with them, and immediately adopt the necessary corrective measures to create more jobs, sponsor production, and make the economic recovery announced for this year a reality," the FSLN faction's communique stated.

The group said it recognizes the right of all workers, regardless of their political preferences, to state their views on the country's situation, "but we urge them to maintain a mature and judicious attitude so that their actions do not disrupt legally established procedures."

Established frameworks are disrupted by violent methods that break the law. This happened in Aeronica's [Nicaraguan Airlines] case, the group recalled.

Referring to the Army's role, the group said it must remain within an institutional framework and above the struggle for power between the executive and legislative Branches—even in times of crisis. The group also recognized the efforts exerted by the Armed Forces to enforce order, and it emphasized the absolute respect the Armed Forces must have for the political Constitution and laws.

The group's communique also issued an appeal to the executive and legislative Branches, urging them to abide by the limits established by the political Constitution to discuss thoroughly and maturely the current crisis.

"Nicaragua must be a republic, and the division of its branches and respect among them should be the cornerstone of this democracy. Thus, the shadow of a dictatorship—no matter how light—will always loom over the country," the group stated.

The centrist group—which has been criticized by the FSLN's most radical groups—urged "our party's highest authorities to act in a patriotic and responsible way concerning this situation, setting aside partisan interests."

Given the dual position currently assumed by the FSLN, the group members demanded "coherence and unity to speak and act, at least by the party's leadership. We issue the same appeal to the National Workers Front leadership."

The group ended its communique by endorsing the talks between the government and its party (FSLN), and by stating its support for Daniel Ortega, who will accompany the government delegation in its upcoming visit to Washington.

'Warmongering' Recompa Group Formed in Matagalpa

PA2303200392 Managua Radio Catolica in Spanish 1100 GMT 23 Mar 92

[Text] A warmongering recompa group has emerged with the name Armed Popular Front [Frente Armado Popular—FAP]. It consists of a large number of recompas who are annoyed at the government because of its failure

to fulfill the agreements that were signed and because they are angry with the four leaders of the recompa general staff, whom they have denounced for taking advantage of the situation and profiting from the thousands of demobilized recompas.

A FAP leader known by the pseudonym Mario, says that this new group—which was formed last week out of the recompas' desperation—is demanding land, employment, and housing for its men. The recompas will back their demands with their weapons, he said, adding that they are willing to do anything, even if they must fight their friends in the Sandinist People's Army. We cannot tolerate this situation any longer. The recompa general staff is doing well. They received homes, vehicles, and money, while we are still going hungry.

[Recompa leader] William, who expressed great concern, said that this new group must reconsider because the effort that is being made will take a while. The FAP will begin to see action this week, said a very angry Mario.

Panama

Chorrillo Residents Demand Government Action

PA2303201092 Panama City Telemetro Television Network in Spanish 1720 GMT 23 Mar 92

[Text] El Chorrillo residents on 23 March gave the national government a 24-hour deadline to answer their demand for restitution of damages incurred on 20 December 1989. Chorrillo residents decided to suspend their plans to continue closing off streets as long as community leader Hector Avila is released and the government shows positive signs of meeting their demands. Community leader Sergio Galvez has recommended that Avila be released as a means of achieving harmony between the two sides.

[Begin Galvez recording] As a result of investigations carried out by my office, I have reached the conclusion that the Chorrillo residents' demands are positive. They are asking for things that were promised, on the one hand, by the Legislative Assembly's Budget Commission, and on the other by the president of the Republic.

I would like to issue a call for attention. I want the government to attribute importance to the Chorrillo residents' problems. As was said during a news conference, the refugees will give the government 24 hours to appoint a commission to evaluate the situation in the area.

Chorrillo residents do not deserve to have other streets blocked. The 20 December 1989 invasion was enough. They should not continue to experience that trauma. If the government gave its word, it should keep its promise to help Chorrillo residents. It should end all the hesitation, lies, and deception toward them.

Through me, the Chorrillo community board has talked with.... [pauses] The last conversation or contact we had was with Presidency Minister Julio Harris. We told him of the need for Hector Avila's release to establish a climate of harmony with the Chorrillo community. He seemed very receptive, and we hope Avila will be released very shortly.

The community board is doing everything possible to get Avila released as soon as possible. [end recording]

Article Urges Talks

PA2403024592 Panama City LA ESTRELLA DE PANAMA in Spanish 23 Mar 92 p a5

[Article by James Aparicio: "Chorrillo Has Someone To Write About Them"]

[Text] Chorrillo is a boiler about to explode. The disturbances that took place for five consecutive days in this afflicted corregimiento is evidence its residents are seeking the most diverse methods—including violence—to fight for what they believe to be fair demands.

When Chorrillo was destroyed by the U.S. military invasion on 20 December 1989, thousands of humble Panamanians became acquainted with the odyssey and terror of a war they did not ask for. We have witnessed dozens of peace protests that have not obtained any response.

The Panamanian Government that was installed at the Fort Clayton U.S. military base while the American troops were fighting against the Panama Defense Forces (PDF), does not seem to grasp the danger this people's rebellion may produce. In a country overwhelmed by divisions, hatred, witch hunts (political persecution), violence, and delinquency, social claims should not be thrown into the wastebasket.

Colon Province, with its historic poverty and meager resources distributed among 40 percent of its 2.5 million inhabitants, should be enough to draw the attention of the residents of the Palace of the Herons, who are responsible for providing adequate and permanent answers to the serious social conflicts that threaten all of us.

The Chorrillo people and their diverse grievances committees have demanded an investigation into the exact number of deaths and wounded during Operation Just Cause. On the other hand, they are also demanding an investigation into the use of the $42 million donated by the U.S. Agency for International Development [AID] to be used for the construction of houses and the purchase of household appliances.

To those uninterested persons, including some high-ranking government officials, the demands by the Chorrillo people have already been met, and there has been nothing abnormal regarding the housing projects.

Regarding the number of deaths and wounded, this is an issue the authorities decided to file away without first undertaking a serious assessment on the number of casualties.

However, reality is quite different.

During 1991, the U.S. Southern Command Military Support Group called attention to serious structural defects in the construction of housing units and warned about the use of asbestos on the rooftops of the houses then under construction. According to the WHO, asbestos can result in disorders associated with cancer. Additionally, construction specialists estimate the life span of asbestos is shorter than zinc.

The unbelievable part of this situation is that a National Assembly commission was able to ascertain that there are flaws in the buildings distributed by the Housing Ministry. To date, there has not been any investigations. It is also believed that those responsible will not be charged with any civil or criminal liability.

The War Refugees Committee and the Martyr Neighborhood Coordinating Board have warned the neighborhoods of Villa Esperanza, Villa Luchin, Santa Eduviges, San Bernandino, Santa Teresita, Vista Alegre, and Felipillo "are poorly constructed."

In addition, both committees are demanding the immediate release of activists Hector Avila and Guillermo Wong. Likewise, they also insist on the government forgiving all housing debts for buildings constructed before the U.S. military intervention and on $3,500 for household goods and furniture.

Physical violence and repression are not the best ways to solve such a complex problem as the Chorrillo issue. Neither is deceit and demagoguery the best remedy. If the Guillermo Endara government is intelligent and wishes to avoid new confrontations, a dialogue must take place between both sides.

All the arrested activists must be released, the funds donated by AID must be audited by independent auditors, and legal measures must be taken against those companies that built houses with cracks and other structural flaws.

The country needs to know how many persons were killed and how many were wounded. Deceit, silence, and threats will only lead us to alleys no Panamanian wants to enter, unless he is forced.

Endara Further Outlines 'New Oil Policy'

PA2303172392 Panama City EL PANAMA AMERICA in Spanish 23 Mar 92 p 4a

[Second part of an article by Guillermo Endara: "The New Oil Policy"]

[Text] A few days ago, I referred to the oil policy that we will implement in September, when the contract between the government and Texaco expires. The main characteristics of this policy will be free competition and the elimination of guaranteed profits. I will now examine the situation that the new reality will bring about.

In 1991, Panama imported $200 million in crude oil and finished products through the Panama Refinery. In 1993, both importation and production will be unrestricted, the sole obligation being that of paying the tariff in force at the time the products are taken out of the warehouses. The prices will fluctuate according to international prices. The current price controls will be eliminated, and prices will be determined by those established by free competition, with the sole exception of butane, or low-pressure cooking gas, which will be dealt with separately.

The government will provide incentives to those who invest in new crude oil installations and who establish safety, quality, and environmental protection measures for those who handle hydrocarbons.

High-octane gasoline, jet fuel, and marine diesel for ships transiting the canal will be sold tax free to stimulate the supply of these products at Panamanian ports and to attract the transportation industry.

In addition, the legal and administrative system to be established will turn Panama into a fuel supply center for Central America, as envisioned by the Latin American Energy Organization in its studies and reports on the outlook for the supply and distribution of these products in the region. This activity will lead to the creation of more jobs in the country.

The present refinery plays a role in this future outlook. Whether the refinery's activities are determined by the industrial protection law to be made effective in September, like any other local industry, or a new contract is negotiated without the present protection and guaranteed profits system, the corporation will be competitive with good prices and high quality products. The profits will be distributed equitably, and Panamanian consumers will also share in this profit.

Argentina

Islamic Jihad Responsibility for Bomb 'Confirmed'

PY2403122892 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1010 GMT 24 Mar 92

[Excerpts] Buenos Aires, 24 Mar (NA)—It was learned in this capital yesterday that the fundamentalist Islamic Jihad organization has confirmed its responsibility for the bomb attack on the Israeli Embassy in Buenos Aires and distributed a letter in Arabic and a video cassette showing clips of the embassy building before the attack. [passage omitted]

Regarding the communique and the video distributed in Beirut by the pro-Iranian organization, Interior Minister Jose Luis Manzano asserted that it "confirms the suspicion of the government right from the beginning" that the attack was perpetrated by an Islamic terrorist group.

Manzano added: "The terrorists are the only ones to be blamed for the attack." He denied any flaws in the Argentine and Israeli intelligence services.

Moreover, the minister asserted that the foreign intelligence service agents involved in the investigations are "not working in Argentine territory" and pointed that "their work is to supply intelligence information on the activities of international terrorists."

In a statement at Government House after a meeting with representatives of the secret services of several countries, Manzano said that there have been no new developments in the investigations into the attack and recalled that "full secrecy surrounds the pre-trial inquest."

Manzano added: "The only new fact is the confirmation by the Islamic Jihad Organization of its responsibility for the attack, which resembles another communique issued in Argentina on day of the attack." [passage omitted]

Judge Releases 4 Suspects

PY2303190292 Buenos Aires TELAM in Spanish 1720 GMT 23 Mar 92

[Text] Buenos Aires, 23 Mar (TELAM)—Chief Justice Ricardo Levene Jr. has released the four Pakistani citizens who were arrested on 21 March for their alleged involvement in the attack on the Israeli Embassy. Prior to their release, the Pakistani citizens testified before Court Secretary Alfredo Bisordi. A taxi driver, an eyewitness in the case, was unable to identify them in the police identification lineup.

Government Source Says Menem Reprimands Cavallo

PY2403040092 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2213 GMT 23 Mar 92

[Text] Buenos Aires, 23 Mar (NA)—A government source has disclosed that President Carlos Menem made it clear at the latest cabinet meeting that he is the one who decides the economic course and that institutional stability does not depend on the plan prepared by Economy Minister Domingo Cavallo.

The source, who attended the last cabinet meeting, confirmed that Menem reprimanded Cavallo for his recent remarks, which Menem interpreted as "something akin to stating that the Argentine economy depends entirely on the minister."

In remarks to NA, the source added: "I want to make it clear that institutional stability does not depend on either the plan or the economic team. In any event, if the plan fails, it would destabilize the economic team and Cavallo himself."

Supporting a report published today by the morning newspaper AMBITO FINANCIERO, the source said Cavallo remained silent and that "the other ministers did not know how to overcome the atmosphere of tension that was created."

Menem said on 18 March, "There is no possibility of Cavallo's and my breaking up," but a few hours later, Cavallo said that the government that devaluates "will fall," along with its economy minister. To emphasize his point, Cavallo said on 22 March in an interview with EL CRONISTA that if he has to devaluate, he will have to step down and hyperinflation will follow.

The source said: "There have been meetings and conversations on this subject at the highest level of the government in recent days. No one knows why Cavallo is pushing so hard and why he is keeping his foot down on the accelerator."

Cavallo said in Rosario today that he is not planning to resign and that he wants to continue to work "with the president." In the meantime, close presidential aides have noted that Menem has reached the following conclusions:

—If Cavallo "truly believes that the Argentine economy depends entirely on him, then he will have to go."

—The possible impact of Cavallo's departure on the Argentine foreign debt negotiations is being considered at the highest level of government.

—The president is not concerned that the inflation rate may not meet the most optimistic estimates because "this depends on other factors that are hard to reconcile."

—It is believed that everything remains thus far within "logical levels and that there is a reasonable degree of confidence that things will not get out of hand."

—The president believes Cavallo's remarks on possible mini-devaluations were not appropriate.

—It has been stated that "Cavallo gave the first surprise" to the president when he met with Raul Alfonsin, an opposition leader.

The source added: "Cavallo's latest moves have again surprised the president, who decided to put things back in place at the latest cabinet meeting."

Cavallo Says Resignation Rumors 'Dangerous'

PY2303184492 Buenos Aires Radio Nacional Network in Spanish 1600 GMT 23 Mar 92

[Text] Economy Minister Domingo Cavallo has denied rumors about his resignation from the national cabinet should Argentina join the Brady Plan. Cavallo asserted that he will continue to strive, together with President Carlos Menem, to consolidate what has been achieved so far. Cavallo said that these speculations were "mean and dangerous" because they only cause alarm among the people.

Cavallo Remarks on Devaluations Criticized

PY2103021292 Buenos Aires BUENOS AIRES HERALD in English 20 Mar 92 p 5

[Text] Economy Minister Domingo Cavallo stunned the nation once again yesterday by confirming that the cornerstone of his economic programme is not unmovable.

Similar statements on Wednesday [18 March] sent nervous jitters through the financial heart of the city when Cavallo announced that convertibility, once believed to be the peso's best friend, was not forever. Cavallo even suggested daily mini-devaluations were not beyond the realm of possibility.

But the minister dismissed the immediate implementation of a regime of progressive devaluations by pointing out that this issue would have to be discussed in Congress if the Economy Ministry were to decide on its application. Cavallo suggested that progressive devaluations would have to be applied if a situation arose where the dollar was overvalued in international markets.

"If sometime in the foreseeable future the US dollar were to become extremely overvalued in relation to European currencies, and this damaged the flow of Argentine exports to Europe, the peso could then be pegged to the Yen, some European currency of a neighbouring country," Cavallo said. He mentioned tieing the peso to a basket of different international currencies as another choice.

Cavallo's remarks were criticized yesterday by former Central Bank president Enrique Folcini and UCeDe [Democratic Center Union] leader Alvaro Alsogaray. Folcini said the comments were "inopportune," whereas Alsogaray said in a radio interview Cavallo's remarks were "delicate," since they could have a great bearing on financial markets.

Alsogaray added four conditions are needed to make convertibility work: elimination of the deficit, an end to spurious monetary emission, deflation in the economy in dollar terms and a decline in wage costs. Convertibility was born on April 1 last year, when Cavallo tied the austral to the dollar at a 10,000 to one rate. It was strengthened by the changeover from the austral to the peso on January 1 this year, when the rate became one peso/one dollar. The peso, as it stood yesterday, is even priced above the US currency, with the exchange rate fluctuating at between 95 and 99 cents to the peso.

Cavallo's talk of devaluation this week suggests that convertibility will not outlast its first year, or that at best a new animal will live on under its old name in the near future.

Pressure for a devaluation has been consistent from exporters and has been building up since it became evident that Argentina will be running up a negative trade balance for the first time in years in 1992 due to the flood of imports which has entered the country.

Government Closes Railway, Suspends Workers

PY2403024892 Buenos Aires TELAM in Spanish 1310 GMT 21 Mar 92

[Excerpt] Buenos Aires, 21 Mar (TELAM)—The Argentine and Metropolitan Railway Companies ordered closure of the Roca Line for 75 days, beginning this morning, and suspended the workers, who are members of the La Fraternidad Union, from their jobs for the same period of time.

The decision was adopted as a result of the conflict created by personnel from five La Fraternidad locals, who have been on strike since 15 March to protest the dismissal of workers after conflicts occurred on 12 March at Constitution Station.

Transport Under Secretary Edmundo Soria, Labor Relations Under Secretary Anselmo Riva, Argentine Railways Trustee Ignacio Luduena, and Metropolitan Railway President Luis Laguinge were entrusted with the task to report the government's decision to the four [number as received] locals.

The La Fraternidad board, which is headed by Ernesto Jaime, then contacted the leaders of the rebellious locals to urge them to lift the strike. The request, however, was not complied with. The rebellious group reaffirmed that the strike will continue "until the dismissed workers are rehired." [passage omitted]

Alfonsin Launches 'Social Democratic Movement'

PY2103022292 Buenos Aires BUENOS AIRES HERALD in English 20 Mar 92 p 11

[From the "Argentina in Brief" column]

[Text] (NA)—Ex-President Raul Alfonsin yesterday finally launched his Social Democratic Movement after attacking the present system as "elitist democracy." Alfonsin, returning to public life after three months of silence, admitted that "the road will be hard and difficult" but is committed to changing the socio-economic model of President Carlos Menem. The ex-President stressed the need to organize Radical opposition groups and form a viable strategy.

Rico's MODIN Gains Support in Buenos Aires

PY2303160692 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1409 GMT 22 Mar 92

[Text] Buenos Aires, 22 Mar (NA)—Support for the Movement for Independence and Dignity (MODIN) has increased to 7.7 percent in greater Buenos Aires, but the Peronist Movement still leads with 18.2 percent.

The survey, carried out by the Lynch, Menendez, and Nivel Company, states that the undecided voters are the majority with 58.5 percent. The poll was conducted in the urban area on 500 people, and it compares political leanings among the parties between December 1991 and March 1992.

Support for the Radical Civic Union [UCR] has dropped from 7 to 6.5 percent, while support for Aldo Rico's MODIN increased from 6 to 7.7 percent. Eduardo Duhalde's Justicialist Party obtained the greatest popularity, slightly increasing its popularity from 18 to 18.2 percent. The Democratic Center Union [UCD] also achieved a significant increase over the past two months, from 3.8 percent in December to 5.2 percent in March. Although the number of undecided voters is high, it dropped from 62.4 percent to 58.5 percent.

Within the left, the Socialist Unity improved from only 0.8 percent to 1 percent; however, support for the left as a whole increased from 2 to 3 percent.

Although he leads the polls as far as individual public image is concerned, support for Duhalde dropped from 48.4 percent to 43.8 percent. UCR leader Melchor Posse follows Duhalde with 33 percent, and UCD leader Alberto Albamonte is getting closer with 32.6 percent.

The polls show, in general terms, a "consistent stability between December 1991 and March 1992." The polling companies believe that, taking into consideration the undecided voters, the "number of committed votes amounts to approximately one third of the total."

New Statutes Allow CGT To Establish Party

PY2403034892 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1255 GMT 22 Mar 92

[Text] Buenos Aires, 20 March (NA)—The new CGT [General Confederation of Labor] statutes establish the independence of the labor central from ideologies and the state; however, they allow the labor movement to have its own political party. In principle, it erases the possibility of a discriminatory leadership [liderazgo excluyente] within the union movement through the establishment of syndicated secretariats.

The new labor central will have an administrative manager who will be in charge of finances—although this point is still under discussion—and eight secretariats. Each of these secretariats will be made up of a general secretary and four alternates, who will rotate every six months and will have a three-year term.

The CGT statutes also provide for the establishment of an institute for economic and social studies to be called "Arturo Jauretche." They also provide for the reorganization of regional delegations into nine areas, excluding the traditional claim made by labor movements from the country's interior of being in charge of the executive board.

Moreover, by raising the ceiling for delegates to 300, the new statutes allow the participation of unions with less than 500 members, which were unable to participate in the union congress until now.

The participation of opposition lists that are a minority in the unions constitutes a novelty. The opposition may have 20 percent of the delegates to the labor congress of each union, but they must achieve 20 percent of the votes in union elections.

Another novelty is a new chapter on general strikes that establishes that they must be approved by two-thirds of the Confederation Central Committee. "In extraordinary cases," however, it empowers the national board to call a national stoppage.

The statutes also approve the statute drafted by the Labor Movement Unity Committee, which must still be approved by all union factions. These statutes specify that social works are owned by union organizations. Article 5 establishes that the CGT will be "independent from all political parties and philosophical or religious ideologies." It establishes, however, that the labor movement "may adopt a political stance by supporting political parties or candidates, or by endorsing them whenever it benefits the interests of the working class," thus allowing the labor movement to have its own political party.

The CGT leadership will have a three-year term, one less than that established in the current statutes. Its organic bodies will be as follows, based on their order of importance: the National Congress, the Confederation Central Committee; the Executive Board, the National Secretariat, and the Plenum of General Secretaries. The Plenum of General Secretaries will have no decision-making power but will be a "consulting body."

Each union will be represented in the National Congress as follows: one delegate for union organizations with 300-2,000 members; two delegates for union organizations with 2,000-3,000 members; and five delegates for union organizations with 3,000-15,000 members.

Unions that have more than 15,000 members will have the right to have one more delegate per 3,000 members, or a fraction higher than 2,000 members.

The Executive Board will comprise the following secretariats: the General Secretariat, Union and Interior Secretariat, International Affairs Secretariat, Business Affairs Secretariat, Political Affairs Secretariat, Legislative Affairs Secretariat, Media and Social Welfare Secretariat, and Women's Affairs Secretariat.

According to Article 49, each secretariat will comprise five members, each of whom—according to Article 50—

will rotate through the post of general secretary every six months. Each one of those entrusted to head the eight secretariats will comprise the National Secretariat.

The CGT will also have an Auditing Committee, comprising six members (three full members and three alternate members), and an Arbitration Committee, comprising five members. In addition, a general manager with the title of public accountant will be in charge of the Finance Committee.

The regional delegations will be divided as follows: northwest region (Jujuy, Salta, Tucuman, Catamarca, La Rioja, and Santiago del Estero), northeast region (Misiones, Corrientes, Formosa, and Chaco), Mediterranean region (Cordoba), Cuyo region (San Luis, San Juan, and Mendoza), lower Parana region (Santa Fe and Entre Rios), greater Buenos Aires region (Buenos Aires metropolitan area), interior Buenos Aires Province and northern Patagonia region (La Pampa, Neuquen, and Rio Negro), and southern Patagonia region (Chubut, Santa Cruz, and Tierra del Fuego).

Furthermore, the Social Economics Institute [Instituto Economico Social] will provide union leaders with statistics, market analysis, income policies, etc., and studies that will assist union leaders. This institute will have a board, advisers, and the following fixed committees: social studies and labor, draft bill studies, jurisprudence and doctrine, economic studies, structure of costs and productivity studies, planning and control of social education, library and cultural activities, public relations, conferences, scientific and technical meetings, and publications.

IDB Grants Loan for Structural Reform Projects

PY2303024692 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1756 GMT 18 Mar 92

[Text] Buenos Aires, 18 Mar (NA)—The Argentine Government and the Inter-American Development Bank (IDB) today signed a loan program for an amount slightly over $1.1 billion that the IDB will grant to finance various structural reform projects.

The program includes projects to restructure electric companies, envisaging their privatization, and to retrain manpower in order to bring the labor force in line with our country's future production structure.

In addition to this figure, the IDB will contribute resources, of an as yet undetermined amount, to support Argentina's foreign debt renegotiation with the creditor banks, including an incentive program to guarantee interest payments and payments on the principal.

The document was signed at the Economy Ministry during a ceremony presided over by Economy Minister Domingo Cavallo. The ceremony was attended by IDB Programming Manager Pablo Souza, as well as by other Economy Ministry and IDB officials.

According to the document, the following programs and projects will be financed between March 1992 and March 1993:

—Reform of the national electric companies ($300 million, including an additional $10 million to draw up technical-financial and legal studies for their privatization).

—Reform of the provincial financial sector ($200 million. The goal of this program is to strengthen reorganization of the provincial banking system in order to prevent a negative impact on provincial finances).

—Reform of the investment sector ($200 million, earmarked to remove obstacles to the expansion of private investments).

—Implementation of a global loan program for various sectors ($200 million to finance medium-term investment plans by the private sector for the purchase of capital goods).

—Implementation of a program to relocate towns and carry out actions to protect the environment in the Yacyreta dam area ($160 million).

As for the programming agreed for 1993, it contemplates a review of applications to finance projects to support social and productive sectors. Using these criteria, the program contemplates a $150 million loan for social investment in municipal areas, $120 million to decontaminate the Reconquista River, and a $200 million loan to finance transport sector investments, giving priority to restoration and the improvement of routes that can be used for Mercosur [Common Market of the South] trade.

Another $100 million will be allocated for programs to retrain manpower to bring the labor force in line with our country's future production structure. A $100 million loan will also be earmarked to finance agricultural development programs, and a $30 million loan will be earmarked for institutional development in the environmental area.

Bolivia

Health, Social Security Workers Sign Accords

PY2103145892 La Paz Television Boliviana Network in Spanish 1700 GMT 20 Mar 92

[Excerpt] The problems regarding the salaries of health workers and the Social Security Service have been satisfactorily resolved.

The conflict with health workers was overcome after an agreement granting a differentiated salary increase according to each category was signed.

The disagreements and demand for a salary increase for social security service workers also were resolved after a meeting with the labor minister. This information was

disclosed by Health Minister Carlos Abdub, who added that the granted increase is the maximum the national Treasury can afford.

[Begin recording] Yesterday I had the satisfaction, and this was my first test, of signing an agreement granting a salary increase to the National Confederation of Health Workers. I think this represents a very important step. Moreover, today the Health and Labor Ministry signed an agreement that led to the suspension of the strike being staged by Social Security Service workers. I think these agreements will solve the existing problems and the situation will return to normal in the next few hours. [passage omitted]

Government Declares Teachers' Strike Illegal

PY2003215192 La Paz Television Boliviana Network in Spanish 1700 GMT 20 Mar 92

[Excerpts] As is already known, the teachers' strike has been declared illegal. Education Minister Edwin Cespedes has said that those teachers who fail to turn up for work will be punished under the law.

[Begin Cespedes recording] Since the strike is illegal, we are going to urge school directors to instruct their teachers to hold class. Those who fail to do so will have deductions made from their salaries because only those who work earn money and those who do not work do not earn anything. It will be up to the teachers to decide what to do.

In La Paz, for example, we know that the union and political leaderships are causing problems among the grass roots and are trying to stir up anarchy and violence among the teachers. [end recording] [passage omitted]

The general indefinite strike begun today by the teachers, who are demanding a 23-percent salary increase as well as other measures of pressure that jeopardize the normal activities of the citizenry, will not force the government to increase the teachers salaries by more than 17 percent. The government has tried to meet the sector's demands which were noted by Labor Minister Oscar Zamora Medinacelli, who said that the executive branch is trying to meet the demands according to Bolivia's economic possibilities. [passage omitted]

Court Turns Down Petition on Privatization Bill

PY2203032092 La Paz Radio Fides Network in Spanish 1100 GMT 21 Mar 92

[Report by Ricardo Bias from Sucre]

[Text] Beginning today, the Senate can start analyzing the text of the privatization bill. In a news conference held yesterday, acting Supreme Court President Hugo Galindo Decker reported that complying with the votes of seven of its judges, the Supreme Court has turned down a petition to declare illegal some acts committed during the Chamber of Deputies' sessions on approval of the privatization bill.

The Supreme Court reached this decision three months after the petition was filed by Deputy Guillermo Richter. The ruling will not end the difficulties because Deputy Richter has said that he will file malfeasance-in-office charges against many ministers.

Judge Galindo simply reported on the ruling, not its contents. He said the ruling turns down the petition filed by Deputy Richter.

Contract Signed on Gas Sales to Argentina

PY2203032892 La Paz Radio Fides Network in Spanish 1100 GMT 21 Mar 92

[Report by Nataniel Alvarez from Santa Cruz]

[Text] Beginning on 1 May, Bolivia will sell its gas to Argentina for $1 per thousand cubic feet per day, instead of the current price of $2.05.

Argentine Foreign Minister Guido Di Tella and his Bolivian counterpart, Ronald MacLean, yesterday signed the new contract, which will replace one that has been in force for 20 years and will end on 30 April. The new contract will be in force until 31 December 1993. During the 20 months contemplated in the contract, Bolivia will continue to sell Argentina 220 million cubic feet of gas per day, but for $1 per thousand cubic feet. To compensate for this low price, Argentina will grant Bolivia a $110 million nonreimbursable loan, which will be paid in monthly installments during the period of the agreement. Considering the $1 paid for a thousand cubic feet of gas plus the nonreimbursable credit, the final price for the Bolivian gas amounts to an average of $1.80.

The credit will be granted to Bolivia in the following manner: $8.5 million per month from May to August; $6.5 million from August to December; $5.5 million from January to April 1993; $4.5 million from May to August; and $2.5 million from September to December 1993.

Minister Di Tella said the agreement is a painless step toward the free market economy that will reign in the Argentine Republic after the privatization of all its state-owned companies.

Bolivian Energy and Hydrocarbons Minister Herbert Muller considered the new agreement good business for both countries.

'Sedition' Prompts Expulsion of PDC Members

PY2003154892 La Paz PRESENCIA in Spanish 5 Mar 92 p 5

[Text] Barely 15 days after General Hugo Banzer's ADN [Nationalist Democratic Action] underwent its most serious internal crisis—the resignation of 200 members and leaders—another progovernment party, the PDC [Christian Democratic Party], decided to expel eight members on charges of "sedition" and "usurpation of functions."

The group of expelled PDC members, who last week held a PDC congress in Cochabamba that did not recognize top PDC leaders Jorge Agreda and Luis Ossio, is headed by former PDC Secretary of Organization Jaime Ponce Garcia.

The PDC leadership yesterday referred to the Cochabamba congress as "a clearly seditious and illegitimate action against the Christian Democratic Party's institutional order and regulations."

The dissidents charged that Ossio and Agreda have disregarded PDC principles and doctrine for "practical and political" reasons stemming from the PDC-ADN alliance in the so-called "Participative Convergence," which sponsored Banzer's candidacy in the presidential elections in 1989.

The resolution to expel the dissidents, which was unanimously approved by the PDC executive committee on 26 February, affects party members Jaime Ponce, Leon Rojas, Victor Fernandez, Victor Centeno, Mario Mercado Rocabado, Brigida Sagredo, Jaime Uriona, and Luis Uriona.

The resolution was signed by Agreda and by leaders Benjamin Miguel, Vicente Mendoza, Orestes Rosazza, Armando Mendez, Humberto Zambrana, Jorge Suarez, Rene Mostajo, Gustavo Velasco, and Victor Hugo Duran.

Ponce Replies

Ponce immediately reacted to the resolution. He warned yesterday that his expulsion will bring negative consequences for those who ordered it. Ponce said that his expulsion was "a de facto decision, with neither trial nor possibilities for defense whatsoever."

"Under the present circumstances, I maintain that the official PDC leadership is not morally entitled to expel me. Its resolution will be disregarded because the PDC rank and file knows my background and knows that the reasons given for my expulsion are absolutely false," he said, adding that he feels "proud" of the retaliation against him.

He added that he upholds internal democracy and "the principles that are inspired by the social doctrine of the church, through which the PDC was born to political life."

"I am at peace with my conscience, and these principles will finally prevail, despite the official party leadership," he concluded.

Brazil

Nicaraguan President Chamorro Arrives

PY2303152892 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 23 Mar 92

[Text] Nicaraguan President Violeta Chamorro arrived at the Rio de Janeiro international airport at 0925 yesterday and immediately went for a brief rest at the Copacabana Palace Hotel before meeting with Rio de Janeiro Governor Leonel Brizola at his official residence, the Laranjeiras Palace.

After lunch, Violeta Chamorro and Leonel Brizola visited the first CIAC [Integrated Center for Assistance to Children] center in Caju. It is the first of its kind in Rio de Janeiro and it was opened last week by President Fernando Collor.

Shortly after visiting the CIAC center, Chamorro and Brizola overflew the city in a helicopter to see the Linea Vermelha overpass, the tourist sights, and the shanty towns.

Chamorro left at 1800 for Brasilia where she was welcomed by Foreign Minister Francisco Rezek.

Presidents Chamorro and Fernando Collor will today discuss Nicaragua's debt with Brazil, estimated in $80 million.

Chamorro will meet with President Collor at 1000 at Planalto Palace. At 1045 the two presidents will meet privately and begin a working meeting.

At noon today Collor and Chamorro will make a 30-minute visit to a CIAC center in Paranoa.

This afternoon Collor and Chamorro will meet twice: first at Planalto Palace at 1700, when the two presidents will sign agreements; and again tonight at Itamaraty Palace, where the Brazilian Government will fete President Chamorro who will return tomorrow to her country after a stopover in Sao Paulo.

Chamorro, Collor Discuss Debt

PY2303183292 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 23 Mar 92

[Text] Nicaraguan President Violeta Chamorro has arrived in Brasilia on an official two-day visit. This morning she met with President Fernando Collor at Planalto Palace. She asked Collor to pardon or reschedule the $81 million debt that Nicaragua owes to Brazil. Repayment of the debt was discontinued in 1987.

President Chamorro also wants Brazil to rejoin the international coffee export agreement in order to increase the export price of Nicaraguan coffee.

The Nicaraguan president is now visiting the first CIAC [Integrated Center for Assistance to Children] center built in Brasilia. She will soon have lunch with businessmen in an effort to attract more Brazilian enterprises to Nicaragua. In the afternoon, she and President Collor will sign five Nicaraguan-Brazilian cooperation agreements.

Government To 'Tighten' Public Firms' Budgets

PY2003184092 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 17 Mar 92 Economy Section p 1

[By Beatriz Abreu]

[Excerpt] Brasilia—The government has decided to tighten up on state-run companies in order to meet the quarterly targets of the IMF agreement. These companies will, during this month, have to remit to the government the income tax deductions from their employees that correspond to the second quarter as a way to compensate for the loss of revenues at the National Treasury. This is one of the alternatives chosen by Economy Minister Marcilio Marques Moreira to enable him to close the first quarter with a primary deficit in public accounts of not more than 6.5 trillion cruzeiros.

The government has also decided to cut the budget by 30.2 trillion cruzeiros by setting quarterly targets. Ministries may spend only the equivalent of their collected revenues. An important adviser to the government economic team has said that because the revenues collected will remain below government estimates, controls on "the Treasury Coffer" will be increased during the first quarter. Yet another measure was implemented last month, a measure that will also help to increase tax revenues: the method used to calculate cigarette prices, a product traditionally used by the government when tax revenues declines.

Yesterday's UNION GAZETTE published President Fernando Collor's decree ruling a 30.2-trillion cut in the budget, which was approved by Congress at the end of last year. The Economy Ministry has stated that the original budget overestimated this year's tax revenues. Therefore, of the 157.7 trillion cruzeiros initially allocated, only 127.5 trillion will be released.

The decree states that the so-called (constitutional transfers) expenditures and the payment of the domestic and foreign public debt will not be cut. The government's 25-percent cutback affects priority programs—basic education, agrarian reform, science and technology, and environment expenditures. The organizations that receive earmarked resources will receive barely 55 percent of the budget allocation and those who basically survive thanks to Treasury resources will only be able to spend 65 percent.

A stricter control of public expenditures has forced the government to impose among the ministries a quarterly expenditures limit. This limit does not foresee exceptional cuts. The Social Security Ministry, for example, will be able to spend 97 percent of its budgeted funds while 92 percent of the budgeted funds will be available to the Environment Ministry, 82 percent for the Education Ministry, and 68 percent for the Health Ministry. The military ministries will receive 73 percent of the approved budget and the Regional Development Secretariat will have 84 percent of the approved budget.

"The IMF targets will be met, so there is no problem," a Foreign Ministry adviser stressed. In an official note, Minister Marcilio Marques Moreira yesterday rejected the possibility of failing to meet the targets agreed with the IMF. Denying reports that inflation rates did not meet government expectations, the note said: "There has been a great relaxation in inflation rates, which positively contributed to compensation for possible losses in subsequent months." The inflation rates are used as a basis for calculating the program's nominal targets. [passage omitted]

People's Socialist Party Replaces Communist Party

PY2203023492 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 21 Mar 92

[Text] The Superior Electoral Court has made the People's Socialist Party [Partido Popular Socialista—PPS] official. The new party, which replaces the Brazilian Communist Party, now wants to attract politicians to its rolls to participate in the municipal elections to be held this year.

PPS President Deputy Roberto Freire will announce a broad campaign to make the party known and to hold conventions to choose candidates who will run in the October elections. In some counties the PPS has made alliances with the Green Party and the Brazilian Social Democracy Party in order to have chances of winning certain mayorships.

The party will also launch a national contest to replace the hammer and sickle in its flag, which will continue to be red, however, because this color also represents socialism.

Deals by Strategic Affairs Secretary Viewed

PY2303174092 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Mar 92 p 4

[Article by Suely Caldas and Rosane de Souza]

[Text] Rio de Janeiro—Strategic Affairs Secretary Pedro Paulo Leoni Ramos has a detailed scheme to control oil by-product transactions. The scheme includes three enterprises headquartered in the luxurious Rio-Sul shopping tower—Edubra do Brasil, Pollo Petroleo, and Tecnape—and some key officials of the Petrobras [Brazilian Petroleum Corporation] board of directors. The deals, which are very profitable for those who arrange them, are however highly disadvantageous for Petrobras.

Former Petrobras commercial superintendent Hamilton Albertazzi is a key executive of the "PP" scheme. This is the name given to the Pedro Paulo (PP) Leoni Ramos scheme by the enterprises that operate through it with Petrobras. Albertazzi was dismissed from his post in December 1991 because then-commercial director Mauricio Alvarenga was suspicious over operations which Alvarenga labelled "at least doubtful." Just over a month later, Alvarenga resigned at the recommendation of Leoni, who lost one of his men—Albertazzi—because of the charge pressed by the former commercial director. He lost one man, but his influence on Petrobras allowed him to name two new directors: Izeusse Dias Braga,

Junior, for the commercial area; and Armando Vieira Neto for the financial department.

During the 1980's, Dias Braga worked at the Interbras [Petrobras International Trade, Inc.] headquarters in Buenos Aires, and in Mexico with technician Dilson Duarte, who today is Pollo Petroleo's main trader. Hamilton Albertazzi's operations at Pollo, Tecnape, and Edubra became smoother after he ceased to be the Petrobras commercial superintendent. According to information supplied by oil brokers, Duarte and Albertazzi last year implemented five overprice (above normal price) oil byproduct transactions through Pollo, involving the U.S. firm, Coastal. Pollo and Edubra are directed by Sergio Rocha, who is a relative of Pedro Paulo Leoni and also his representative in Rio de Janeiro.

The BR case, which involves the scandalous sale of BR-Dealer shares while General Alberico Barroso Alves headed Petrobras during the Sarney administration, showed the Leoni Ramos team what should not be done. This explains the careful design of a strategy that involved coopting Petrobras officials and backing business deals with technical support and with little risk. The planning began after the naming—at Leoni's initiative—of Alfeu Valenca as Petrobras director in April 1991.

At that time Leoni sent an envoy, lawyer Joao Muniz de Oliveira Alves whose office is on Rio Branco Avenue, to interview Petrobras officials. During the interviews, Joao Alves mentioned the suspicions against them, hinting that they could be dismissed, but adding that if they joined the PP scheme, no action would be taken against them. They were also encouraged to sign a blank sheet of paper which, as the lawyer threatened, could be used as a resignation letter. Three of the interviewed officials today hold posts as directors in Petrobras: Izeusse Braga, Jr., in the commercial area; Raul Mosman in the prospecting and production area; and Jose Brito Oliveira in the engineering department. The following officials were also contacted by the lawyer: current Braspetro [Petrobras International, Inc.] director Marcio Weber; Wagner Freire, chief of the Petrobras office in Houston (United States); Walter Formosinho, Petrobras secretary general; Laerte Rocha Pires, Raul Mosman's cabinet chief; former Petrobras president Alfeu Valenca; and former commercial superintendent Hamilton Albertazzi. These contacts were reported to O ESTADO by Petrobras officials who met with Joao Alves but withstood his harassment.

Except for Alfeu Valenca and Albertazzi, who were dismissed from their posts, all those interviewed today hold posts in Petrobras. There have been comments within Petrobras that Leoni Ramos intends to place Raul Mosman as head of the enterprise, replacing current President Ernesto Weber who has the backing of Infrastructure Minister Joao Santana. Weber did not join the PP scheme and, at Santan's support, has resisted all pressure.

Secretary Denies Petrobras Link

PY2403012292 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 23 Mar 92

[Text] Strategic Affairs Secretary Pedro Paulo Leoni Ramos has issued a public statement denying any commercial link with Petrobras [Brazilian Petroleum Corporation]. On 21 March, two Sao Paulo newspapers published articles stating that Leoni Ramos used his influence on Petrobras to mount a scheme to control Petrobras transactions.

Leoni said the news media had the aim of denigrating him, smearing his personal image, and weakening his institutional position through lies.

Paraguay

Rodriguez Vows To Retire From Military in 1993

PY2103161692 Asuncion NOTICIAS in Spanish 21 Mar 92 p 9

[Text] Speaking in Ybyrarobana, President Andres Rodriguez yesterday announced for the first time that as soon as he transfers his presidential powers to his successor in August 1993, he will retire from his post as Armed Forces commander in chief. Commenting on the status of former President Alfredo Stroessner as a military officer—whether Stroessner retired or was discharged—Rodriguez said Stroessner, who is currently in exile in Brasilia, had retired.

Rodriguez said: "When he (Stroessner) signed his resignation as president, he automatically stopped being the commander in chief and went into retirement. The same thing will happen to me on the day I turn my powers over to the new democratically elected president, who could be a civilian or a retired officer. At that moment, I will turn my presidential powers over to my successor; I will stop being an active-duty officer and will go into retirement." Through these remarks, Rodriguez has shed light on a question that, until now, had remained unanswered for many people because it was believed that Rodriguez might continue to hold a top position in the Armed Forces. Yet, based on his remarks, he definitely will leave the military institution, at least active duty, in 1993.

Changing subjects, Rodriguez reaffirmed his support for capital punishment, especially for serious crimes against a person. Rodriguez added: "For instance, that person who planted a bomb at the Israeli Embassy in Buenos Aires, killing so many innocent people—more than 30 people were killed and more than 100 were injured—wouldn't you say that person really deserves to lose his life too?" He asked whether it is worth keeping animals like that among us. He said: "I would sincerely be in favor of the death penalty for a man who rapes and murders his own daughter."

President on Armed Forces, Stroessner Case

PY2103033492 Asuncion RPC Television Network in Spanish 1622 GMT 20 Mar 92

[Excerpts] President Andres Rodriguez is visiting the interior of the country. Early this morning, the president presided over the inauguration of an electrical system at a settlement called Callepe, in Guaira Department, where he spoke with local people. The president spoke with reporters after the ceremony. [passage omitted]

The president was asked about an incident that is being discussed at the Foreign Ministry level. We are talking about a confusing incident involving a group of Marines, U.S. Embassy security personnel, and a food vendor, who reported being attacked by embassy personnel. The president expressed hope for a successful solution to the problem, particularly because of the excellent state of relations between our country and the United States.

[Begin recording] We still have to find out what happened. I received some reports, but I would like to see a more concrete and precise investigation so as not to interrupt our very good relations with the United States—that great republic that is like the father of all democratic republics—over a possible incident involving some embassy people. In fact, I cannot say for a fact that the incident truly occurred. Therefore, I have asked the interior minister and the chief of police to investigate. The ambassador has also promised to investigate in order to clarify the misunderstanding between those people. [end recording]

More questions for President Andres Rodriguez: The president was asked about an eventual return of deposed President Alfredo Stroessner to the country. Rodriguez said Stroessner must face charges in court, and he will be arrested upon entering the country.

[Begin recording] [Rodriguez] If he is thinking about returning to the country, he must know that he will have to face the courts. Charges were brought against him, and the cases are not yet closed. There are various trials involving him. In one of those trials, the judge who indicted him also ordered his arrest and his detention at the national prison. If he wants to come, he must know that he will have to conduct his defense from jail. That is the road he will have to follow if he decides to come.

[Reporter] Will he be arrested at the airport?

[Rodriguez] I do not know if he will be arrested at the airport because he may enter the country by land. But I am sure that he will be arrested upon entry; that is the reason for laws. I have promised, I have sworn to respect the Constitution and the laws and to see that they are respected.

[Reporter] [Question indistinct]

[Rodriguez] Who says that? You can take that question to the prosecutors who are handling the different cases. There are various trials, not just one. The prosecutors and judges in charge know the situation well. [end recording] [passage omitted]

The president reiterated his opinion of the need to place effective command of the Armed Forces in the hands of a military officer.

[Begin recording] I think that—delegation aside—power is shared anyway. I understand that the Armed Forces must be an institution that is conscious of its subordination to the political power. People often say civilian power. It is not civilian power, but political power, because if a civilian is elected president, he is vested with political power. People do not say that everything is subordinate to the military power because I am an officer. No, what a president has is political power.

The president, whether he delegates his prerogatives as commander in chief or not, will always be the Armed Forces commander in chief. He may designate the general he trusts the most to fulfill this function. In this way, that officer will be able to dedicate himself to professionalizing the Armed Forces. I am convinced that a civilian president will not have the knowledge necessary to direct, order, or give instructions to the Armed Forces. He must necessarily use someone in this position as an adviser or assistant. In this way, he will be able to change, dismiss, or replace him at will, but he will always be the supreme commander in chief of the country. [end recording]

The president later traveled to Curuguaty to observe the work done by a U.S. medical team in that area.

Lawyer Discusses Stroessner's Intent To Return

PY2403020692 Asuncion HOY in Spanish 17 Mar 92 p 6

[Report on interview with Dr. Hiran Delgado Von Leppel, attorney for former President Stroessner, by unidentified reporter at the Courthouse on 16 March]

[Text] Dr. Hiran Delgado Von Leppel, an attorney who defends the Stroessner family's legal interests, said at the courthouse yesterday: "General Stroessner has the firm intention of returning to Paraguay, and he will do it soon. They have me here trying to beg for justice—a truly agonizing task—through an appeal of unconstitutionality that I have filed against the suit that has been unduly brought against him. At this moment, the attorney general must pass judgment on this appeal. As a matter of fact, General Stroessner will return, and it will be very soon. There is no impediment to him doing so."

As an attorney and to his understanding, Delgado added: "It is an unconstitutionality that obviously must be eliminated. As soon as the suit is over, Gen. Stroessner will return to his country to live there, given the conditions heralded by the government on the existence of an absolute democracy—since no one's presence or voice can be excluded from a country that presumably practices ideological and democratic plurality."

Dr. Delgado was asked if Stroessner actually plans to return and why Stroessner does not return right now. The attorney responded: "Because he is facing this suit, which has been unduly brought against him, and because I understand that at this moment, the judicial branch's conditions do not provide enough guarantees for him to be able to present himself for judgment, which is lawful and which we are requesting now."

[HOY] Why do you say that there are no guarantees within the branch?

[Delgado] Because this is so. Because, at this moment, we are truly seeing very aberrant things in our country and in our judicial branch. It is also worth mentioning Gustavo Stroessner's case. This is a suit that not even a law student can review—a suit brought without claims, without victims, without harm to anyone; nevertheless, it has been going on without a conclusion for more than three years.

[HOY] When is Stroessner returning, Dr. Delgado?

[Delgado] Well, as soon as possible, as soon as this appeal of unconstitutionality is resolved. If it is resolved this week, the general will be in our country again. Whether he does or does not become engaged in politics is up to him. I can just say that there is no legal impediment to him entering the national territory—unless those notorious orders from above make a comeback. We shall see.

Frutos Confirms Failure of Gas Pipeline Proposal

PY2003154292 Asuncion ABC COLOR in Spanish 18 Mar 92 p 12

[Excerpt] Paraguayan Foreign Minister Alexis Frutos Vaesken yesterday admitted the failure of Paraguayan negotiations to join the gas pipeline that Bolivia and Brazil will build very soon. He said that the main reason was the fact that our country presented its proposal too late, but added that it was not the Foreign Ministry's fault because it acted when it was asked to begin negotiations at the appropriate diplomatic level.

"It was true when I said that Brazil has not yet told us anything. It is not an excuse, but I also told you that I believed that these negotiations have ended for Paraguay," Frutos Vaesken told the press, when asked about possible Foreign Ministry responsibility for the failure of the talks with the Brazilian and Bolivian Governments to have the gas pipeline to be built by the two countries pass through Paraguay.

"It is said that the Foreign Ministry was negligent, that Brazil and Bolivia have been negotiating the installation of a gas pipeline for 20 years, and that Paraguayan negotiations began too late. But I want to explain that the Foreign Ministry begins negotiations when requested, and we began to act when we were asked," he said.

Frutos Vaesken explained further that the Foreign Ministry is only a means to begin diplomatic talks and that it "cannot propose to other countries on its own initiative, for instance, the purchase of petroleum, the installation of an electricity network, or railways." [passage omitted]

Peru

Vice President Regrets Rebel Leader's Acquittal

PA2103025792 Lima Global de Television Network in Spanish 0100 GMT 21 Mar 92

[Text] Maximo San Roman, first vice president and acting president, regretted the Supreme Court decision to acquit Shining Path leader Abimael Guzman of all wrongdoing due to a lack of evidence. He said that congress must react to this situation.

Meanwhile, Senator Javier Alba said Guzman can be prosecuted for many other crimes.

[Begin recording] [San Roman] As you know, the judicial branch is autonomous. I must find out the reasons that prompted this decision which I, and all Peruvians, view as regrettable.

[Unidentified reporter] How could Abimael be acquitted due to a lack of evidence?

[San Roman] Exactly. All Peruvians are asking themselves that question. Nevertheless, the judicial branch is either cold or insensitive.

[Alba] I presume the Supreme Court has applied the law properly, based on a lack of specific proof that Guzman perpetrated the crimes. I repeat, if the individuals the police are looking for are found, and if there are other incidents that have not been disclosed, they can be prosecuted and sentenced. [end recording].

Minister Says Rebels 'To Disrupt' Nov Elections

PA2403004792 Madrid EFE in Spanish 0114 GMT 23 Mar 92

[Text] Lima, 22 Mar (EFE)—On 22 March, Interior Minister General Juan Briones stated the terrorist Shining Path [SL] group seeks to disrupt the November 1992 municipal elections through a terror campaign.

To confirm this purpose, on 22 March the SL killed Santiago Carhuahuanca, deputy mayor of Huancan, which is 8 km from Huancayo in the central mountain range of Peru. Carhuahuanca belonged to the center rightist Popular Action Party.

On 9 March 1991, the SL also killed Huancan Mayor Maximo Perez during a crime wave against municipal leaders, which has not stopped since 15 February when Maria Elena Moyana, deputy mayor for Villa El Salvador and a people's leader, was killed in Lima.

Gen. Briones told the Lima daily LA REPUBLICA that as a result of the cooperation of the civilian militias armed by the government called the peasant defense

patrols, the SL is leaving the rural areas and is now conducting actions in the cities, particularly in Lima.

The SL "is trying to enter people's organizations, therefore, it has begun to kill its leaders. It enforces Mao Zedong's axiom: 'Kill one and you will terrorize 10,000,'" the minister emphasized.

Gen. Briones feels that creating urban defense patrols against terrorism "is one way for the people to participate in a free and voluntary manner" to fight terrorism.

These urban defense patrols will be armed with "weapons having certain characteristics and they could have a permanent liaison with the public order forces," Gen. Briones said, warning that if the people do not want to form the defense patrols, "they will not be formed."

Meanwhile, the Army has taken up positions in some Lima neighborhoods. The people living in the slum areas do not like this very much, even though the military and the police give them food, weapons, medical assistance, and water.

"The goal is to win the support of the people," the minister claims, adding that "penalties are being imposed" to punish some policemen accused of committing abuses.

The minister said he earns $500 monthly. The weekly SI reported on 22 March that during the first three months of 1992, 4,000 officers and 14,000 subordinates requested resignations from the National Police due to their low salaries.

The weekly pointed out the low police wages have generated discontent "that has become an explosive tension that could result in a much feared police strike."

Some serious situations related to police strikes have already taken place. In February 1975, a police strike left Lima unprotected and this led to looting, which forced the military government at that time to order tanks into the streets. This repression left about 100 dead. In May 1987, during the Alan Garcia administration, there was another police strike for three days resulting in approximately 2,000 [as received] casualties. In October 1989, groups of striking policemen caused disorder in Lima. The Peruvian police are under the military, and any protest is considered "sedition."

According to SI, a police general earns $240 monthly, while a policeman earns half as much. They were promised an increase in February, which has not been granted, and now they are being promised another one for March. SI reported that from October 1991 to March 1992, 2,500 policemen have deserted and some have even left the country.

Each policeman is given 200 bullets to last him six months and sometimes a year, but this is not enough for the "emergency areas." Therefore, many times the policeman has to buy his own ammunition.

Until 1990, the policemen who worked in the emergency area where terrorism is active, received a salary increase, which has now been suspended due to a lack of state resources.

Uruguay

Lacalle, Chile's Aylwin Sign Joint Declaration

PY2403022692 Montevideo Radio Carve in Spanish 0000 GMT 24 Mar 92

[Text] Chile and Uruguay have stressed the need to make the international community conscious of the fact that to have peace and security we must solve the serious problems of poverty, ignorance, and poor health affecting various regions of the world.

A joint declaration signed by Chile's President Patricio Aylwin and Uruguay's President Luis Alberto Lacalle says that the two countries will support the call for a world summit on social development at the United Nations.

The document, which was signed during the third day of Patricio Aylwin's official visit to our country, stresses the two countries' concern over the crisis in Yugoslavia and their interest in observing the development of East European processes. Aylwin and Lacalle expressed satisfaction with the growing consolidation of the democratic system in the world, as well as in the region. The two countries rejected all forms of violence and terrorism and stressed that respect for human rights was the entire community's unavoidable commitment.

In the economic sphere, the declaration reiterates that Chile and Uruguay consider a quick and successful conclusion to the Uruguay round of GATT as very important and that this solution must allow better access to industrialized countries' markets. The heads of state also expressed their deep concern over the current state of negotiations, insisting that if a satisfactory agreement is not reached, the stability and growth of the international trade system and the development of Latin American economies will be seriously jeopardized.

The document reiterates the two presidents' support for progressive consolidation of the democratic system and points out the presidents' pleasure with the cooperation tendered to Haiti and with the continental solidarity against the coup attempt in Venezuela.

The document praises the role of the Latin American Integration Association as an essential integration forum and stresses the two presidents' concern over the deterioration of the environment and the destruction of ecosystems. These topics, the communique says, negatively influence our people's living standards because they are closely related to poverty and underdevelopment.

The declaration points out the two presidents' concern over the growth of drug trafficking, and the document commits the presidents' support to increased efforts in

the bilateral sphere, as well as other international forums, to fight the problem.

Aylwin and Lacalle stressed the importance of seeking formulas to link Chile with the Common Market of the South. The Chilean president received with interest the Uruguayan proposal to build a Southern Cone road axis.

The two presidents signed an agreement establishing the creation of a bilateral integration council to define an appropriate framework for the strengthening of trade, investments, services, and technical and scientific cooperation between the two countries.

Lacalle Says Pinochet Can Visit

PY2303135692 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 23 Mar 92

[Speakers identified by screen captions]

[Text] Uruguayan President Luis Alberto Lacalle has stated that the government would not close the door in his face if General Pinochet were to go to Uruguay. President Lacalle made these remarks during the visit that Chilean President Patricio Aylwin is paying to Uruguay. Here is a report from our special correspondent in Uruguay:

[Begin recording] [Reporter Myrna Schingler] The strong winds that hit Punta del Este, the epitome of Uruguayan sea resorts, today did not prevent President Aylwin and wife from attending mass at a local church, nor did it stop them from taking a look at the natural beauty of the Uruguayan sea coast.

Today's activities began at President Luis Alberto Lacalle's summer residence, where he granted an interview to Chilean reporters. Lacalle stated that the situation in Chile has been stabilized, a fact for which President Aylwin should be credited.

Asked about Gen. Pinochet staying in office until 1998, Lacalle answered that the law must be obeyed:

Mr. President, what if Gen. Pinochet were to make a surprise visit to Uruguay, just as it happened in Ecuador? What would be the reaction of your government, or yours for that matter?

[Lacalle] It all depends on how he were to come. If he comes as commander in chief of the Army of a country with which we have not only diplomatic but also friendly relations, he would be received by the Uruguayan Army commander in chief. If he were to come as a tourist, just as you have come, I suppose he would enjoy the peace and tranquillity of a country that respects the rights of everyone who comes here.

[Schingler] Asked whether intelligence services are legal in a democratic regime, Lacalle said that intelligence services are needed, but must remain under the direct control of the political branch.

Like any good Latin American host, the Uruguayan president held a traditional barbecue for his Chilean counterpart shortly after noon.

The two presidential entourages later left for Montevideo where President Aylwin met with members of the local Chilean community.

The group of Chilean businessmen accompanying President Aylwin also came to Montevideo and have met with Uruguayan counterparts to discuss future investments and joint ventures. [end recording]

Lacalle Will Not Sign 'Bad Deal' With GATT

PY2303143092 Madrid EFE in Spanish 1739 GMT 22 Mar 92

[Text] Punta del Este (Uruguay), 22 Mar (EFE)—Uruguayan President Luis Alberto Lacalle said today that Uruguay would prefer the current round of GATT talks "to end without an agreement rather than signing a bad deal."

In Punta del Este, where the Uruguay round of GATT talks began about six years ago, the chief of state said: "Our country will not sign an agreement that does not encompass the proposals raised in all areas."

President Lacalle added: "Unyielding, short-sighted, or selfish positions that seek exclusively to maintain trade protectionism (especially concerning agricultural exports) prevent the achievement of minimum agreements."

Lacalle made these remarks to the journalists who are covering Chilean President Patricio Aylwin's official visit to Uruguay. He stressed: "One trillion dollars per year in world trade depends on the success of these negotiations, and it is not necessary to elaborate on the impact of this on the economies of many countries."

Uruguayan Foreign Minister Hector Gros Espiell, the president of the Uruguay round of GATT talks, recently told EFE that the negotiations "must culminate in an acceptable proposal if a world trade war is to be prevented."

The minister stressed: "Negotiations are currently in deadlock, especially because of the agricultural issue, which seems insolvable at the moment."

The greatest challenge for the Uruguay round is reconciling the position of some European countries—especially France, which champions the current agricultural protectionist system—and the position of the Cairns Group, which comprises meat and grains exporting nations like Argentina, Brazil, Colombia, and Uruguay, which demand the end of governmental subsidies in order to achieve a free market based on real competition.

Venezuela

Perez Inaugurates Water Plant, Views Economy

PA2203040692 Caracas Venezolana de Television Network in Spanish 0000 GMT 22 Mar 92

[Text] On 21 March, President Carlos Andres Perez said that both international and local experts agree on the recommendations made by the Executive Branch to transform the Venezuelan economy.

[Begin Perez recording] It is very satisfying to note that the recommendations by international advisers fully agree with the consultative commission report. This is important because the Venezuelan situation is thus fully and precisely interpreted. In addition to having to move ahead with the transformation of the Venezuelan economy, we must also consider social programs to compensate for the great sacrifices our people have had to make. As you well know, my Christmas and New Year's message or speech, delivered from the Miraflores Palace on 30 December, spoke about the new stage of my government. To explain the situation more fully, I said at the time I was starting a pact with the poor. I also announced the great social policies we have already put into effect. It is, therefore, very important the whole world understand what has happened in Venezuela and the need to balance—such as my government is doing—the unavoidable and necessary changes to our economy, placing it in step with programs that address the problems of the popular sectors and the Venezuelan middle classes. [end recording]

The president's statements were made in Tinaquillo, Cojedes State, where he inaugurated a potable water system. When referring to the foiled rally on 19 March, he said it was led by nondemocratic interests and that it was a complete failure. Regarding the inaugurated water works, he said that this is the start of progress and called on the people of Cojedes to continue their struggle with faith and willingness for the benefit of democracy.

[Begin Perez recording] We are now keeping a commitment made 13 years ago. With this water intake from the Tirgua River and the treatment plant, water began to flow toward Tinaquillo at a rate of 400 liters a second. This is sufficient for Tinaquillo's current population and future growth. When the works in Las Mercedes are completed, that plant will have a capacity, not of 400 liters a second, but 1,500 liters a second. Here you have works that are of great importance for the area, which took time to build, and in which 600 million bolivares were invested. [end recording]

Commission Submits Final Report on Amendments

PA2303232492 Caracas Venezolana de Television Network in Spanish 1550 GMT 23 Mar 92

[Text] The bicameral commission drafting amendments to the Constitution has submitted its final report to the Congress of the Republic. Commission members met on 22 March and approved curtailing the mandate of the Executive Branch through a referendum in 1993, when the terms of President Carlos Andres Perez and current mayors, governors, and councilmen expire.

Once an executive branch authority has served over one-third of its mandate, 15 percent of the electorate, or more, registered in the Electoral Registry may request a referendum, whether it is in a municipality, state, or the country, depending on the circumstances. If half the electorate plus one vote is in favor of curtailing the mandate, new elections must be held within 90 days. The Movement Toward Socialism, however, will propose to the Congress that the measure should apply to the current authorities.

The other amendment approved over the weekend is related to justice in the country. A proposal by Commission Chairman Senator Rafael Caldera, leaving the power of naming and curtailing the mandates of magistrates and judges in the hands of a top justice commission, was rejected. The creation of a Magistracy Council [Consejo de Magistratura], which is to be headed by the Supreme Court chief justice and 24 members of outstanding conduct, was approved.

[Begin Presidential Advisory Council member Pedro Pablo Aguilar recording] The goal of our proposal is to begin immediately to reorganize the judicial branch, once the constitutional amendment is approved. We can then remove any judge who may be involved in wrongful actions. [end recording]

This council will be tasked with reorganizing the judicial branch and preparing a list of candidates to the Supreme Court and the prosecutor's and ombudsman's offices.

[Begin Caldera recording] The difficulty that has been presented, namely, that the members had to be chosen by law, can easily be resolved if we decide that the organizations to elect the top justice commission are established on a basis of congressional consensus. [end recording]

The lawmakers decided to bar the reelection of any president who has served his constitutional mandate in full or by more than half. This measure will be in force after the amendment is approved, meaning, it would not apply to former presidents.

The proposal to remove the right to vote granted to former presidents, as senators for life, generated a great deal of differences and led to a close vote. Some regarded it as a ploy to alter the balance of forces in the Senate. The defenders of the measures objected to the role senators for life would play when summoned by their parties to attend sessions just so they can vote in favor of a cause.

[Begin Senate President Pedro Paris Montesinos recording] On 23 March, we held discussions to allow debates on a voting charter bill. We already approved allowing uninominal votes in the Chamber of Deputies.

The faction of Deputy (?Carre) regrettably used filibuster tactics to delay the session as much as possible, until it was finally able to locate former President Luis Herrera Campins—I believe he was in Macuto or somewhere around there. The session was delayed until he was able to arrive and vote, although he had not even participated in the debates. [end recording]

Defense Minister on Social, Political Changes

PA2303154192 Mexico City NOTIMEX in Spanish 2136 GMT 23 Mar 92

[Text] Santa Fe de Bogota, 22 Mar (NOTIMEX)—Venezuelan Defense Minister General Fernando Ochoa Antich said on 22 March that his country requires "new men and new procedures for governance."

Interviewed by the Colombian newspaper EL ESPECTADOR, Gen. Ochoa said that this is the reason deep social and political changes are taking place in Venezuela, but within a peaceful process and the Constitution." [quotation marks as received]

He said that, although resolving conflicts militarily is a "historical tradition" in his country, the Armed Forces reject any violent means to deal with the crisis created by the coup attempt of 4 February.

Ochoa said that the Armed Forces do not want to be involved in any solution because "military solutions always pose a very serious problem—they create a very complex institutional crisis that is very difficult to overcome."

With regard to the border disagreement over the Caribbean gulf shared by Colombia and Venezuela, Ochoa said that the area "means nothing to Colombia but, conversely, it is Venezuela's heart because it is the outlet for all of Venezuela's oil exports."

He said that the gulf is a vital area for Venezuela and that "there will always be difficulties as long as Colombia fails to understand this."

Ochoa further stated that the countries, which for historical circumstances require true integration, should try to settle the disagreement peacefully, because "Venezuela rejects the participation of an intermediary to debate the issue and reach an agreement."

The minister commented that it should not be expected that the country's crisis can be overcome with the resignation of President Carlos Andres Perez, because that would bring "extremely serious consequences for the country's internal stability."

He said that there are much more feasible alternatives, such as the reforms that could be established through a constituent assembly.

Ochoa continued, saying that the disciplinary hierarchy and that of the Armed Forces remained "intact" following the foiled coup and that the report that Hugo Chavez, the rebel commander, has the support of a number of officers "is only a half-truth."

He commented that, although a number of people and members of the Armed Forces expressed support for the rebel officers after the coup attempt, "this support has diminished day by day."

Ochoa pointed out that Chavez and the rebel officers "were a military group that had penetrated the Armed Forces with a political purpose."

Finally, Gen. Ochoa said that these men "were after political power through force. The report of division among the Armed Forces is untrue and completely false."

Higher Bus Fares Prompt Riots South of Caracas

PA2303202992 Paris AFP in Spanish 1933 GMT 23 Mar 92

[Text] Los Teques, Venezuela, 23 Mar (AFP)—AFP has confirmed that renewed disturbances broke out on 23 March in Los Teques, a residential community 20 km south of Caracas, where students and hooded individuals burned tires to protest increased public transportation fares.

Riot police controlled the demonstrators with tear gas, clubs [peinillas], and birdshot, but a policeman was severely beaten when students discovered that he had infiltrated the hooded group.

To protest continued increases in local and Los Teques-Caracas public transportation fares, students and residents of the La Estrella neighborhood who had joined the demonstrators set tires on fire and surrounded the Francisco de Miranda High School with barricades.

Public transportation fares have increased despite the recent announcement by President Carlos Andres Perez that the monthly increases in fuel prices would be suspended.

Guyana

UK Reiterates Aid Tied to Free Elections

FL2403010392 Bridgetown CANA in English 2245 GMT 23 Mar 92

[Text] Georgetown, Guyana, March 23, CANA—The British Government has reiterated to the Guyana Government, that all future aid is linked to free and fair elections, a British High Commission statement said Monday. The statement said High Commissioner Douglas Gordon delivered a note to President Desmond Hoyte Friday, "reiterating Her Majesty's continued concern that free and fair elections should take place in Guyana as soon as possible."

"The note also makes clear that future UK aid commitment to Guyana, depends on conducting free and fair

elections and the continued adherence to sound economic policies by the new Guyanese Government," the statement said.

It said existing technical co-operation programmes will continue, but added that no new projects will be "undertaken until elections have been held."

"To maintain continuity, Her Majesty's government is willing to enter into discussions with the Government of Guyana and opposition parties on future infrastructural type projects, but discussions could not begin until there were cast iron indications that a date for the elections has been set."

Key Western donors, including the United States and Canada, have joined Britain in increasing pressure on the Hoyte government to hold free and fair elections soon. Elections here were twice postponed in the last two years because of a flawed voters list. They were likely to have been held by June this year, but new difficulties have arisen in the preparation of the voters list, raising the possibility of a further delay.

Labor, Private Sector Expect 'Relief' in Budget

FL2103003692 Bridgetown CANA in English 2203 GMT 20 Mar 92

[Text] Georgetown, Guyana, March 20, CANA—The labour movement and private sector expect substantial relief to be contained in Guyana's March 30 national budget, representatives of both sectors say. Gordon Todd, president of the dissident trade union grouping, Federation of Independent Trade Unions of Guyana (FITUG), told CANA he believed the package was a "working class" budget.

"You have situations now that a budget should be a working class budget," he said Friday. "I don't know when we will get that.... But it should be a working class budget."

"It's time that the budget address the question of a living wage for workers in the public sector, it's time the budget re-address the question of more money to be spent on education, the health services, and other social services..." Todd added.

Transportation and high unemployment were also fingered by the FITUG head for corrective action in the package. "High unemployment has been running rampage in this country," he said.

The Guyana Government however contends a near 45 per cent vacancy rate in the public service attests to controlled inflation, but Todd said people were "unwilling to work for a subsistence wage."

A British consultancy firm which supervised a restructuring of the bloated public service here found last year concluded the salaries were low. It recommended immediate pay hikes and a "market supplement", a form of allowance, to staunch the flow of skilled manpower leaving the sector.

"If the budget would attempt to address those few things I talked about, our union grouping would be more than satisfied," Todd said.

The private sector commission wants the government to lower consumption, property and capital gains taxes as well as high interest rates, joint chairman, Yesu Persaud told CANA Friday. The consumption taxes, Persaud added, were "unduly" high.

"We hope those taxes will come down to a very low level to allow the Guyanese manufacturing sector to compete with all these illegal goods entering the country, on which no duty or consumption tax are paid," he said. The tax ranges from 15 to 45 per cent on manufactured goods.

"If the tax is low enough, this would preclude these goods from entering the country."

Persaud also wants personal taxes, currently 45 per cent, to be lowered to 35 per cent. The capital gains taxes, he said, were payable on "highly inflatible values." "We would like to see something done in that area," he continued.

High interest rates of between 36 and 38 per cent were also making it "impossible" for businesses to replace assets, Persaud said. He also called for accelerated depreciation and investment allowances which he said were incentives to stimulate industrial growth.

International Monetary Fund-guided budgets in the past three years included three sharp devaluations, sparking steep price hikes and industrial unrest.